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**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY - WEST**

ANNUAL FINANCIAL REPORT

Year Ended June 30, 2010

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

9/22/10

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
June 30, 2010**

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FINANCIAL SECTION

Paul C. Rivera, CPA

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INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Southeast Louisiana Flood Protection Authority – West
Marrero, Louisiana

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”), a component unit of the State of Louisiana, as of and for the year ended June 30, 2010, which collectively comprise the West Authority’s basic financial statements as listed in the table of contents. These financial statements are the responsibility of the West Authority’s management. My responsibility is to express an opinion on these basic financial statements based on my audit.

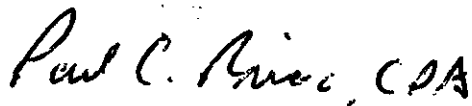
I conducted my audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the West Authority as of June 30, 2010 and the respective changes in financial position and the budgetary comparison for the West Authority’s General fund, the West Jefferson Levee District O&M Special Revenue Fund and the Algiers Levee District O&M Special Revenue Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, I have also issued a report dated August 21, 2010, on my consideration of the West Authority’s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 16 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was made for the purpose of forming an opinion on the financial statements that collectively comprise the West Authority's basic financial statements. The Individual Fund Statements and Schedules and the Supplementary Information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The individual fund statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting or other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Paul C. Rivera, CPA
Marrero, Louisiana
August 21, 2010

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST

MANAGEMENT’S DISCUSSION AND ANALYSIS June 30, 2010

As management of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”), we offer readers of the West Authority’s financial statements this narrative overview and analysis of the financial activities of the West Authority as of June 30, 2010 and for the fiscal year then ended. We encourage readers to consider the information presented here in conjunction with the financial statements. All amounts, unless otherwise noted, are expressed in thousands of dollars (\$1,000’s).

FINANCIAL HIGHLIGHTS

- The assets of the West Authority exceeded its liabilities at the close of the most recent fiscal year by \$63,604 (*net assets*). Of this amount, \$51,119 or 80.4 percent reflects its investment in capital assets (e.g., land, buildings, equipment, vehicles and infrastructure) and \$12,485 (*unrestricted net assets*) or 19.6 percent may be used to meet the government’s ongoing obligations to citizens and creditors.
- The West Authority’s total net assets increased by \$2,137 or 3.5 percent during the current year.
- As of the close of the current fiscal year, the West Authority’s governmental funds reported combined ending fund balances of \$13,092, an increase of \$2,421 or 22.7 percent. Approximately \$13,092 (or 100.0 percent) of this total amount is available for spending at the government’s discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the West Authority’s General Fund was \$306, which was 53.2 percent of total general fund expenditures (which is higher than the previous year percentage of 103.5 percent).
- The WJLD O&M Special Revenue Fund had unreserved fund balance of \$4,715, an increase of \$231 from last year. This amount was 94.8 percent of its total expenditures.
- The ALD O&M Special Revenue Fund had unreserved fund balance of \$1,378, an increase of \$43 from last year. This amount was 454.4 percent of its total expenditures.
- WJLD and ALD both maintain reserves in Emergency Funds. The fund balances in each district’s emergency fund totaled \$4,153 and \$1,881, respectively.
- In 2008, the West Authority issued Certificates of Indebtedness for the West Jefferson Levee District in the amount of \$2,000 to provide funds for the construction of an emergency command center. Payments on this debt totaled \$467 for 2010 (\$400 principal and \$67 interest and paying agent fees). The project was completed in 2009 and capitalized into fixed assets as a building improvement.
- The U.S. Army Corps of Engineers continues to work on the Westbank and Vicinity Hurricane Protection Project and is covering 100 percent of the costs at this time.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Southeast Louisiana Flood Protection Authority – West’s (the “West Authority”) basic financial statements. The West Authority’s basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The “government-wide financial statements” are designed to provide readers with a broad overview of the West Authority’s finances, in a manner similar to a private-sector business.

The “statement of net assets” presents information on all of the West Authority’s assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the West Authority is improving or deteriorating.

The “statement of activities” presents information showing how the government’s net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expense are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the West Authority that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The West Authority only has governmental activities in the public works function. This function includes executive, administrative, and maintenance/construction activities.

The State of Louisiana (the primary government) issues financial statements that include the activity contained in these financial statements. The State’s financial statements are issued by the Louisiana Division of Administration – Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor. The West Authority is a “component unit” of the State of Louisiana.

The West Authority, in turn, has two component units of its own, the West Jefferson Levee District and the Algiers Levee District, that are included (i.e., “blended”) in these financial statements. Both of these levee districts are separate legal entities from the West Authority, however, because the West Authority’s Board serves as their oversight boards, they are, in substance, part of the West Authority. The government-wide financial statements of the West Authority can be found on pages 18 and 19 of this report.

Fund financial statements. A “fund” is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The West Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with *finance-related legal requirements*. The West Authority’s funds are classified as “governmental funds”.

Governmental funds. “Governmental funds” are used to account for essentially the same functions reported as “governmental activities” in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for “governmental funds” with similar information presented for “governmental activities” in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between “governmental fund” and “governmental activities”.

The West Authority and its component units maintain various funds that are grouped for management purposes into various fund types. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, the WJLD O&M Special Revenue Fund, The ALD O&M Special Revenue Fund, the WJLD Emergency Special Revenue Fund, the ALD Emergency Special Revenue Fund, the WJLD Westbank Hurricane Capital Projects Fund, and the WJLD Lafitte Levee Capital Projects Fund. All of these funds are considered to be “major” funds.

The West Authority adopts annual budgets for its General fund, the WJLD O&M Special Revenue Fund and the ALD O&M Special Revenue Fund. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 20 - 26 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27 - 62 of this report.

Other information. Individual fund statements and schedules, which show additional detailed financial information, are presented immediately following the notes to the financial statements on pages 63 – 74. Supplementary information, including a Schedule of Commissioners’ Per Diem, a Schedule of State Funding, a Schedule of Expenditures of Federal Awards, and the Division of Administration’s Reporting Package, is included on pages 75 - 148. The Compliance reports required by *Government Auditing Standards* are on pages 149 to 153.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the West Authority, assets exceeded liabilities by \$63,604 at June 30, 2010.

A large portion of the West Authority's net assets (80.4 percent) reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, vehicles and heavy equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The West Authority used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the West Authority's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST NET ASSETS

	Governmental Activities			
	2010		2009	
Current and other assets	\$ 13,091		\$ 10,675	
Capital assets	52,320		52,864	
Total assets	65,411		63,539	
Long-term liabilities outstanding	1,807		2,069	
Other liabilities	-		3	
Total liabilities	1,807		2,072	
Net Assets				
Invested in capital assets, net of related debt	51,119	80.4%	51,264	83.4%
Restricted	-	0.0%	-	0.0%
Unrestricted	12,485	19.6%	10,203	16.6%
Total net assets	\$ 63,604		\$ 61,467	

The remaining balance of *unrestricted net assets* (\$12,485 or 19.6 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

At June 30, 2010, the West Authority is able to report positive fund balances in all three categories of net assets.

The West Authority's net assets increased by \$2,137 or 3.5% during 2010.

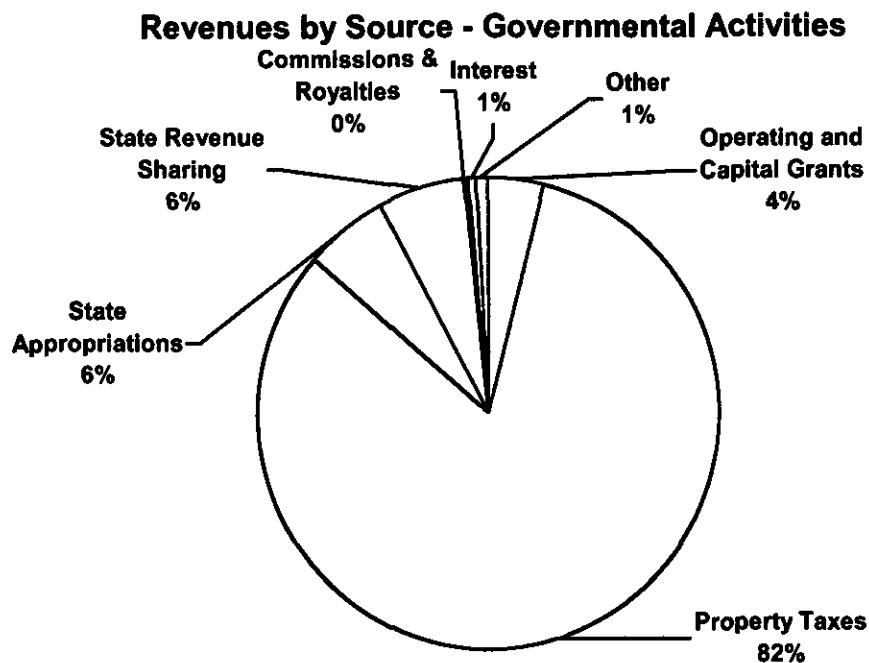
Governmental Activities. Governmental activities increased the West Authority's net assets by \$2,137. Key elements of this decrease are as follows:

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
CHANGES IN NET ASSETS**

	Governmental Activities	
	2010	2009
Revenues:		
Program revenues:		
Charges for services	\$ -	\$ -
Operating grants and contributions	(14)	607
Capital grants and contributions	352	1,721
General revenues:		
Property taxes	7,083	5,526
State appropriations	500	500
State revenue sharing	510	503
Commissions and royalties	38	123
Interest	50	106
Gain (loss) on sale of equipment	31	(142)
Other	33	18
Total revenues	<u>8,583</u>	<u>8,962</u>
Expenses:		
Public works		
Executive	529	565
Administrative	1,216	1,099
Maintenance	3,056	3,280
Nondepartmental	484	439
Unallocated depreciation	1,095	1,049
Interest on long-term debt	66	82
Total expenses	<u>6,446</u>	<u>6,514</u>
Increase in net assets	2,137	2,448
Net assets - Beginning of year	61,467	59,019
Net assets - end of year	<u>\$ 63,604</u>	<u>\$ 61,467</u>

- Operating grants decreased by \$(621) due to FEMA grants related to Hurricanes Gustav and Ike not recurring. These claims were filed in the prior year. The \$(14) recognized in the current year represents the local share that was thought to be eligible in the prior year.
- Capital grants totaled \$352, a decrease of \$(1,369), due primarily to fewer revenues related to the East of Harvey Interim Flood Protection Project. Revenues of \$1,721 were recognized in the prior year from the State Capital Outlay Program for this project. Current year funds also came from this same source.
- Property taxes totaled \$7,083, an increase of \$1,557. Taxes for the West Jefferson Levee District made up \$4,732 of this total, an increase of \$306 or 6.9 percent. This increase relates to increases in the value of the assessment rolls. The WJLD levied the same millage rate as in the previous year. The remaining \$2,351 represents taxes allocated to the Algiers Levee District. This amount is \$1,251 higher than last year due to the roll-forward of the millage rates and higher assessed values in Orleans Parish.

- State appropriations are provided for operations of the West Authority. The total amount received for 2010 and 2009 totaled \$500. This amount is set by statute.
- State revenue sharing totaled \$510 - \$454 for the West Jefferson Levee District and \$56 for the Algiers Levee District. These amounts are distributed based on the enabling statute.
- Commissions and royalties dropped \$(85), most of which resulted from fewer oil and gas royalty collections.
- Interest income was \$50, a drop of \$(56) due to declining interest rates.
- Gain or loss on sale of equipment was \$31 this year.



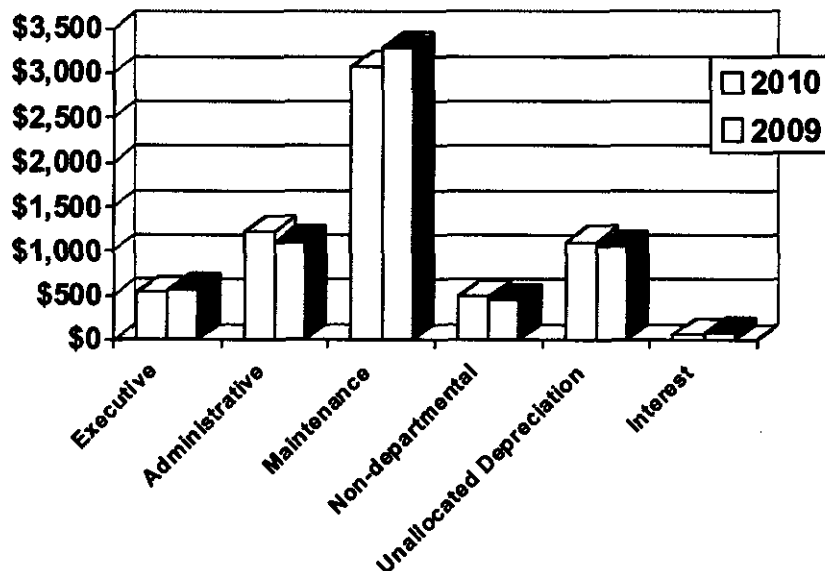
Expenses totaled \$6,446. A description of each function follows:

- The Executive function totaled \$529, a decrease of \$(36) from last year. This includes costs for the Commissioners' per diems, legal and auditing fees, consulting fees and dues and subscriptions. The SELFPA-W General Fund saw a decrease of \$(40), primarily in computer consulting fees and other professional services (related to recruiting fees for in-house engineer). There was also an increase in depreciation of \$34. The WJLD O&M Fund also saw a decrease of \$(70) in other consulting fees which relate to architect fees for the Emergency Center Buildout in the prior year. The ALD O&M Fund saw an increase of \$40, primarily in computer consulting, as the work order system was rewritten during the year, and an increase of \$12 in legal fees.
- The Administrative function totaled \$1,216, an increase of \$117 over last year. SELFPA-W General Fund saw an increase of \$133, primarily in salaries as the Chief Administrative Officer was transferred from WJLD to this department. The WJLD O&M Fund saw a decrease of \$(108) - \$(76) in salaries and benefits and \$(74) in repairs and maintenance, offset by an increase in internet services of \$31. The increase in salaries and benefits relates to the hiring of an in-house engineer and the raise given the Chief Financial Officer. Repairs

and maintenance was down due to repairs and costs associated with the emergency command center completing early in the year. Internet costs were up due to the revamping of the website. The ALD O&M Fund saw an increase of \$20, primarily in internet costs (i.e., the website). There was an increase of \$57 in depreciation in this function as well.

- The Maintenance function totaled \$3,056, a decrease of \$(224) from last year. \$355 of this increase was seen in the WJLD O & M Fund, as new salaries and benefits were added. The WJLD Emergency Fund saw a drop of \$(557) as costs related to Hurricanes Gustav and Ike did not recur. The ALD O&M Fund saw an increase of \$26, primarily in equipment rentals. There was also a drop of \$(48) in depreciation expense charged to this function.
- Non-departmental function totaled \$484, an increase of \$45. This amount represents the cost of liability insurance for each fund and withholdings from the ad valorem tax allocations of the West Jefferson Levee District. Most of the increase was in insurance premiums as the WJLD O&M Fund's premiums went up \$30 and ALD O&M Fund went up \$13.
- Unallocated depreciation totaled \$1,095, up \$46 from last year. This represents depreciation on infrastructure (i.e., levees) that is not allocated to any of the functions.
- Interest on long-term debt totaled \$66 for 2010 as payments on the Certificates of Indebtedness were made during the year.
- As can be seen in the graph below, the expenses in each function remained relatively the same as the prior year.

**Southeast Louisiana Flood Protection Authority - West
Expenses by Function/Segment**



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the West Authority uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the West Authority's "governmental funds" is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the West Authority's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2010, the West Authority's governmental funds reported a combined ending fund balance of \$13,092, an increase of \$2,421 or 22.7 percent in comparison to the prior year. Of the total, \$306 is reported in the General Fund, \$12,127 is in Special Revenue Funds, and \$659 is in Capital Project Funds.

The **General Fund** is the chief operating fund of the West Authority. At June 30, 2010, the unreserved fund balance of the General Fund totaled \$306. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. For 2010, unreserved fund balance represents 53.2 percent of total general fund expenditures (a decrease from the prior year percentage of 103.5).

The fund balance of the West Authority's General fund decreased by \$(74) during the current fiscal year. Key factors in this increase are as follows:

- The General Fund's revenues totaled \$501, expenditures totaled \$575, and other financing sources (uses) totaled \$-0-, resulting in the net increase of \$(74).
- Intergovernmental revenues (state appropriations) totaled \$500, the same as last year. This represents 99.8 percent of General Fund revenues.
- As noted above, the West Authority's expenditures totaled \$575. This was made up of the following:
 - \$154 in the Executive Function – made up of per diems for the Commissioners, legal and auditing fees, consulting fees, travel expenditures, and dues and subscriptions
 - \$254 in the Administrative Function – made up mostly of administrative salaries and benefits, supplies, charges for telephones and other administrative costs.
 - \$4 in Maintenance Function – related to utilities.
 - \$19 in Non-departmental Function – made up of unallocated liability insurance costs.
 - \$144 in Capital Outlay – due to the purchase of command center equipment.

The **WJLD O&M Special Revenue Fund** is the chief operating fund of the West Jefferson Levee District. At June 30, 2010, the unreserved fund balance of this Special Revenue Fund totaled \$4,715, an increase of \$231 or 5.1 percent from prior year. As a measure of the WJLD O&M Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. For 2010, unreserved fund balance represents 94.8 percent of total fund expenditures (a slight increase from the prior year percentage of 87.9).

The fund balance of the WJLD O&M Special Revenue fund increased by \$231 during the current fiscal year. Key factors in this increase are as follows:

- The WJLD O&M Fund's revenues totaled \$5,281, expenditures totaled \$4,975, and other financing sources (uses) totaled \$(75), resulting in the net increase of \$231.
- Property taxes totaled \$4,732, an increase of \$306 or 6.9 percent, due primarily to increases in the assessed values of property in the district during the year.
- Intergovernmental revenues totaled \$454, a decrease of \$(7) from last year. This decrease was seen in the state revenue sharing appropriation.
- Services charges totaled \$38, a decrease of \$(85) from last year. Most of this decrease was caused by a decrease in oil & gas royalties.
- Interest totaled \$23, a drop of \$(17) from last year. This was due to lower interest rates.
- Miscellaneous income totaled \$33, an increase of \$25 over last year.
- As noted above, the WJLD O&M Fund's expenditures totaled \$4,975. This was made up of the following:
 - \$231 in the Executive Function – made up of per diems for the Commissioners, legal and auditing fees, consulting fees, travel expenditures, and dues and subscriptions. This function saw a decrease of \$(70) due to decreases in other consulting fees (architect fees related to the Emergency Center Buildout).
 - \$784 in the Administrative Function – made up mostly of administrative costs. This function saw a decrease of \$(108), primarily in salaries and benefits (due to reclassification of the Regional Director to the West Authority's General Fund and repairs and maintenance (as the command center project wrapped up).
 - \$2,630 in the Maintenance Function – made up of levee maintenance-related costs. This function saw an increase of \$355, \$341 in salaries and benefits, \$17 in auto insurance, \$41 in equipment rental, \$(41) in repairs.
 - \$393 in the Non-departmental Function – made up of unallocated liability insurance costs and withholdings by the State from the ad valorem tax revenues. This amount increased \$30 over the prior year as insurance premiums went up.
 - Debt Services totaled \$467, related to paying off the outstanding certificates of indebtedness (\$400 principal and \$67 interest).
 - \$471 in Capital Outlay – due to the purchase of tractors, mowers and other equipment, and the construction of the Emergency Command Center Buildout.
- Other Financing Sources (Uses) netted out to \$(75). This amount is made up of \$640 in transfers in, \$(810) in transfers out, and \$95 in proceeds from the sale of equipment.

The **ALD O&M Special Revenue Fund** is the chief operating fund of the Algiers Levee District. This is a new district that was formed by Act 475 of the 2007 Legislative Session. At June 30, 2010, the unreserved fund balance of this Special Revenue Fund totaled \$1,378, an increase of \$43 or 3.2 percent from the prior year. As a measure of the ALD O&M Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. For 2010, unreserved fund balance represents 454.4 percent of total fund expenditures, excluding operating transfers (a decrease from the prior year percentage of 650.7).

The fund balance of the ALD O&M Special Revenue fund increased by \$43 or 3.2 percent. Key factors in this increase are as follows:

- The ALD O&M Fund's revenues totaled \$2,414, expenditures totaled \$303, and other financing sources (uses) totaled \$(2,068), resulting in the net increase of \$43.
- Property taxes totaled \$2,351, an increase of \$1,251 or 113.7 percent from the prior year.
- The increase was a result of increases in the Orleans Parish assessment rolls and the roll forward of millage rates. This amount was net of amounts withheld by Orleans Levee District for debt service in the amount of \$163.
- Intergovernmental revenues (state revenue sharing) totaled \$56, an increase of \$14 from last year.
- Interest totaled \$7, down \$(37) from last year as interest rates plummeted.
- As noted above, the ALD O&M Fund's expenditures totaled \$303. This was made up of the following:
 - \$109 in the Executive Function – made up of legal fee, accounting fees, and computer consulting fees.
 - \$51 in the Administrative Function – made up of telephone, internet, and office supplies
 - \$71 in the Maintenance Function – made up of utilities and levee maintenance-related costs.
 - \$73 in non-departmental costs – primarily related to insurance.
- Other Financing Sources (Uses) netted out to \$(2,068). This amount is made up of \$-0- in transfers in and \$(2,068) in transfers out (\$608 to the WJLD O&M Fund for maintenance services and \$1,460 to the ALD Emergency Fund).

The **WJLD Emergency Special Revenue fund** has a total fund balance of \$4,153 at year-end, all of which is designated to be used only in emergencies. This fund had expenditures during the year of \$10, offset by revenues from FEMA totaling \$(14) and interest of \$17. These revenues and expenditures relate to emergency work done during Hurricanes Gustav and Ike. Transfers in from the WJLD O&M Special Revenue Fund totaled \$810 during the year.

The **ALD Emergency Special Revenue fund** has a total fund balance of \$1,881 at year-end, all of which is designated to be used only in emergencies. This fund had no expenditures during the year and had interest revenues of \$1. Transfers in from the ALD O&M Special Revenue Fund totaled \$1,460 during the year.

The **WJLD Westbank Hurricane Levee Capital Project fund** has a total fund balance of \$659 at year-end. \$352 was received from State's Coastal Protection and Restoration Fund to build an interim levee at the Harvey Canal. \$364 was spent on construction projects in the current year.

The **WJLD Lafitte Levee Capital Project fund** has a total fund balance of \$-0- at year end. This fund was closed during the year as the new Lafitte Area Independent Levee District took over projects in this area. Transfers out to the WJLD O&M Special Revenue Fund totaled \$32.

BUDGETARY HIGHLIGHTS

Revenues

The revenues of the **West Authority's General Fund** were relatively stable. The original budget called for a total of \$503, while the amended budget had revenues of \$501. The major line-item for the state allocation of operating costs to the West Authority was unchanged at \$500. Overall, revenues came in at or near budget.

The **WJLD O & M Special Revenue Fund's** final budget called for revenues of \$5,165, a decrease of \$(202) from the original budget. The largest decrease was seen in Service Charges as oil and gas royalties were dropped \$(126) due to smaller than expected returns on drilling leases. The next largest decrease was in the property tax line, which dropped by \$(50), caused by lower than expected assessments. Finally, interest income went down \$(26) due to declining interest rates.

Overall, revenues came in \$116 or 2.2 percent over budget. The largest variance was \$82 in property taxes as collections increased unexpectedly.

The **ALD O & M Special Revenue Fund's** final budget called for revenues of \$2,410, an increase of \$367 over the original. The largest increase was in property taxes, which increased \$422 as the assessments in Orleans Parish went up more than expected. ALD only recognizes the net amount of taxes given to it by Orleans Levee, after deducting funds for Orleans Levee's debt service. Thus, property taxes of \$2,321 are shown on the final budget. Overall, revenues came in right at budget.

Expenditures

Overall, the expenditures of the West Authority and its major operating funds came in at or near budget.

The **West Authority's General Fund** expenditures were \$33 less than the budgeted amount of \$608. All functions were basically right at or slightly over or under budget.

The **WJLD O&M Special Revenue Fund** expenditures were \$5 more than the budgeted amount of \$4,969. All functions were basically right at or slightly over or under budget.

The **ALD O&M Special Revenue Fund** expenditures were \$18 less than the budgeted amount of \$321. The largest variance was \$5 in office supplies as costs were lower than expected.

Amendments were made during the year to the expenditures of the West Authority and its two main component units. The following is a recap of the changes made by Fund and Function.

Fund/Object Level	Original Budget	Amendments	Final Budget
SELFPA-W General Fund			
Executive	\$ 168	\$ 5	\$ 173
Administrative	263	7	270
Maintenance	1	2	3
Non-departmental	16	2	18
Property, plant and equipment	55	89	144
	<u>\$ 503</u>	<u>\$ 105</u>	<u>\$ 608</u>
WJLD O & M Special Revenue Fund			
Executive	\$ 186	\$ 58	\$ 244
Administrative	789	9	798
Maintenance	2,261	354	2,615
Non-departmental	397	(5)	392
Debt service	520	(50)	470
Property, plant and equipment	612	(162)	450
	<u>\$ 4,765</u>	<u>\$ 204</u>	<u>\$ 4,969</u>
ALD O & M Special Revenue Fund			
Executive	\$ 127	\$ (12)	\$ 115
Administrative	18	34	52
Maintenance	230	(148)	82
Non-departmental	58	14	72
Property, plant and equipment	-	-	-
	<u>\$ 433</u>	<u>\$ (112)</u>	<u>\$ 321</u>

The SELFPA-W General Fund budget for property, plant and equipment was increased \$89 to purchase additional equipment for the emergency command center.

The two largest changes in the WJLD O&M Fund were in Maintenance – up \$354 and Property, Plant and Equipment – down \$(162). Maintenance was increased to account for additional salaries and benefits and Property, Plant and Equipment was down due to anticipated purchases of heavy equipment that were not made.

The ALD O&M Fund's largest change came in Maintenance – down \$(148). The decrease was made in general levee supplies as these types of costs were paid for by WJLD and reimbursed by ALD through an operating transfer.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The West Authority's investment in capital assets for its governmental activities as of June 30, 2010 amounts to \$51,119 (net of accumulated depreciation and outstanding debt). This investment in capital assets includes land, buildings, furniture and equipment, vehicles and heavy equipment. The West Authority's investment in capital assets decreased by \$(145) or 0.3 percent.

Major capital asset events during the current fiscal year included the following:

- \$146 was spent on furniture and fixtures, mostly laptops and communication equipment.
- \$317 was spent on machinery and equipment, mostly new tractors
- \$952 was spent on infrastructure (i.e., levee improvements)
- Land decreased \$(588) as a deposit on the purchase of a servitude that was expensed in prior years was returned.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
CAPITAL ASSETS (NET OF DEPRECIATION)**

	Governmental Activities	
	2010	2009
Land	\$ 5,788	\$ 6,376
Construction in progress	-	-
Buildings	2,055	2,053
Furniture and equipment	198	88
Vehicles and heavy equipment	742	668
Infrastructure	43,536	43,679
Total	52,319	52,864
Related Debt	1,200	1,600
Net Investment in Fixed Assets	\$ 51,119	\$ 51,264

Additional information on the West Authority's capital assets can be found in Note D.3 in the footnotes.

Long-term Debt. At the end of the current fiscal year, the West Authority long-term debt totaled \$1,807. This amount is made up of \$231 in compensated absences, \$1,200 in Certificates of Indebtedness, and \$376 in Other Post-Employment Benefits (OPEB).

\$2,000 in Certificates of Indebtedness was issued in 2008 to finance the construction of the Emergency Command Center. During 2010, payments of \$467 (including \$67 of interest) were made on this debt.

The \$376 in OPEB relates to the calculated amount of unfunded actuarial contributions that have been accrued on the financial statements. To date, the West Authority is not able to fund the actuarially calculated liability for OPEB.

Additional information on the West Authority's long-term debt can be found in Note D.4 and Note H.3 in the footnotes.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the Parish of Jefferson is currently 7.8 percent, which is an increase from a year ago. Since Hurricanes Katrina and Rita, the rate has fluctuated as the population in the metropolitan area shifts. The recession currently gripping the country has also played a part in increasing this rate.
- Inflationary trends in the region compare favorably to national indices.
- It is anticipated that the State appropriation for operations will continue in the coming years.
- The millage rates for the West Jefferson Levee District and the Algiers Levee District are expected to stay the same. It has been the West Authority's policy to roll their millages forward when allowed to in order to keep up with inflation.

All of these factors were considered in preparing the West Authority's budgets for the 2010/2011 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the West Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board President, Southeast Louisiana Flood Protection Authority – West, 7001 River Road, Marrero, LA 70072.

BASIC FINANCIAL STATEMENTS

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**STATEMENT OF NET ASSETS
JUNE 30, 2010**

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and cash equivalents	\$ 12,799,613
Investments	273,320
Receivables (net of allowance for uncollectibles)	18,985
Internal balances	-
Capital assets (net of accumulated depreciation)	
Land	5,787,724
Buildings	2,054,826
Furniture and fixtures	198,392
Machinery, vehicles and equipment	742,425
Infrastructure	43,536,203
Construction in progress	-
TOTAL ASSETS	65,411,488
LIABILITIES	
Accounts payable and other current liabilities	-
Accrued payroll and deductions	-
Revenue/grant anticipation notes payable	-
Accrued interest payable	-
Unearned revenue	-
Noncurrent liabilities:	
Due within one year	631,065
Due in more than one year	1,176,314
TOTAL LIABILITIES	1,807,379
NET ASSETS	
Invested in capital assets, net of related debt	51,119,570
Restricted for:	
Debt service	-
Other	-
Unrestricted	12,484,539
TOTAL NET ASSETS	\$ 63,604,109

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

FUNCTION/BUREAU	EXPENSES	PROGRAM REVENUES			CAPITAL GRANTS AND CONTRIBUTIONS	NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS			
Primary Government						PRIMARY GOVERNMENT GOVERNMENTAL ACTIVITIES
Governmental Activities:						
Public Works						
Executive	\$ 528,980	\$ -	\$ -	\$ -	-	\$ (528,980)
Administrative	1,215,812	-	-	-	-	(1,215,812)
Maintenance	3,055,700	-	(13,968)	-	-	(3,069,668)
Nondepartmental	484,566	-	-	351,889	-	(132,677)
Unallocated depreciation expense	1,094,985	-	-	-	-	(1,094,985)
Interest on long-term debt	65,600	-	-	-	-	(65,600)
Total governmental activities	\$ 6,445,643	\$ -	\$ (13,968)	\$ 351,889		(6,107,722)
GENERAL REVENUES:						
TRANSFERS IN (OUT)						
Property taxes						7,083,336
State Appropriations						500,000
State Revenue Sharing						509,676
Commissions and royalties						38,064
Unrestricted interest						50,232
Gain (loss) on sale of equipment						31,123
Other						32,729
TOTAL GENERAL REVENUE AND TRANSFERS						8,245,160
CHANGE IN NET ASSETS						2,137,438
NET ASSETS						
Beginning of year						61,466,671
End of year						\$ 63,604,109

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2010

	SELF-A-W GENERAL FUND	WJLD OPERATIONS AND MAINTENANCE	ALD OPERATIONS AND MAINTENANCE	WJLD EMERGENCY FUND	ALD EMERGENCY FUND	WJLD HURRICANE PROTECTION LEVEE	WJLD LAFITTE LEVEE	TOTAL GOVERNMENTAL FUNDS
ASSETS								
Cash and cash equivalents	\$ 222,114	\$ 5,764,274	\$ 1,380,675	\$ 3,530,471	\$ 1,881,240	\$ 20,839	\$ -	\$ 12,799,613
Investments	-	-	273,320	-	-	-	-	273,320
Receivables (net of allowance for uncollectibles)	-	18,985	-	-	-	-	-	18,985
Due from other funds	83,513	276,474	-	622,614	-	638,549	-	1,621,150
TOTAL ASSETS	\$ 305,627	\$ 6,059,733	\$ 1,653,995	\$ 4,153,085	\$ 1,881,240	\$ 659,388	\$ -	\$ 14,713,068
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued payroll and deductions	-	-	-	-	-	-	-	-
Due to other funds	-	1,344,676	276,474	-	-	-	-	1,621,150
Revenue/grant anticipation notes payable	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	-	1,344,676	276,474	-	-	-	-	1,621,150
Fund Balances								
Reserved for:								
Debt service	-	-	-	-	-	-	-	-
Unreserved, reported in:								
General Fund	305,627	4,715,057	1,377,521	4,153,085	1,881,240	-	-	305,627
Special Revenue Funds	-	-	-	-	-	659,388	-	12,126,903
Capital Project Funds	-	-	-	-	-	-	-	659,388
TOTAL FUND BALANCES	305,627	4,715,057	1,377,521	4,153,085	1,881,240	659,388	-	13,091,918
TOTAL LIABILITIES AND FUND BALANCES	\$ 305,627	\$ 6,059,733	\$ 1,653,995	\$ 4,153,085	\$ 1,881,240	\$ 659,388	\$ -	\$ -
<p>Amounts reported for governmental activities in the statement of net assets are different because:</p> <p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds</p> <p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.</p>								
Net Assets of Governmental Activities								\$ 63,604,109

The accompanying notes are an integral part of this statement.

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2010

	SELFPA-W GENERAL FUND	WILD OPERATIONS AND MAINTENANCE	ALD OPERATIONS AND MAINTENANCE	WILD EMERGENCY FUND	ALD EMERGENCY FUND	WILD HURRICANE PROTECTION LEVY	WILD LAFFITE LEVY	TOTAL GOVERNMENTAL FUNDS
REVENUES								
Taxes								
Property taxes	\$ -	\$ 4,732,136	\$ 2,351,200	\$ -	\$ -	\$ -	\$ -	\$ 7,083,336
Intergovernmental								
Federal	-	-	-	(13,968)	-	-	-	(13,968)
State	500,000	453,921	55,755	-	-	351,889	-	1,361,565
Parish/Local	-	-	-	-	-	-	-	-
Service charges, fees, and commissions	-	38,014	50	-	-	-	-	38,064
Interest	803	23,472	7,182	17,437	1,240	97	1	50,232
Miscellaneous	-	32,729	-	-	-	-	-	32,729
TOTAL REVENUES	500,803	5,280,272	2,414,187	3,469	1,240	351,986	1	8,551,958
EXPENDITURES								
Current								
Public Works								
Executive	153,683	230,649	108,717	-	-	-	-	493,049
Administrative	253,736	784,209	50,861	-	-	-	-	1,088,806
Maintenance	4,026	2,630,229	71,019	9,842	-	-	-	2,715,116
Non-departmental	18,809	393,212	72,545	-	-	-	-	484,566
Debt Service	-	-	-	-	-	-	-	-
Principal	-	400,000	-	-	-	-	-	400,000
Interest	-	65,600	-	-	-	-	-	65,600
Capital outlay	-	-	-	-	-	-	-	-
Property, plant and equipment	144,248	470,806	-	-	-	364,380	-	615,054
Levee construction projects	-	-	-	-	-	-	-	364,380
TOTAL EXPENDITURES	574,502	4,974,705	303,142	9,842	-	364,380	-	6,236,571
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(73,699)	305,567	2,111,045	(6,373)	1,240	(12,394)	1	2,325,387
OTHER FINANCING SOURCES (USES)								
Transfers in	-	639,893	-	810,000	1,460,000	-	-	2,909,893
Transfers out	-	(810,000)	(2,067,963)	-	-	-	(31,930)	(2,909,893)
Sale of capital assets	-	95,445	-	-	-	-	-	95,445
Bond proceeds	-	-	-	-	-	-	-	-
Donation of equipment	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(74,662)	(2,067,963)	810,000	1,460,000	-	(31,930)	95,445
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	(73,699)	230,905	43,082	803,627	1,461,240	(12,394)	(31,929)	2,420,832
FUND BALANCE								
Beginning of year	379,326	4,484,152	1,334,439	3,349,458	420,000	671,782	31,929	10,671,086
End of year	\$ 305,627	\$ 4,715,057	\$ 1,377,521	\$ 4,153,085	\$ 1,881,240	\$ 659,388	\$ -	\$ 13,091,918

The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010**

Amounts reported for governmental activities in the Statement of Activities (page 19) are different because:

Net change in fund balances - total governmental funds (page 21)	\$ 2,420,832
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	108,106
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.	(652,240)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	
Issuance of long-term debt (certificates of indebtedness)	-
Payment of long-term debt (certificates of indebtedness)	400,000
Increase in compensated absences	(10,449)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds, including expense of annual required contribution for OPEB.	(128,811)
Change in net assets of governmental activities (page 19)	<u>\$ 2,137,438</u>

The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Intergovernmental				
State	\$ 500,000	\$ 500,000	\$ 500,000	\$ -
Service charges, fees, and commissions	-	-	-	-
Interest	3,138	700	803	103
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>503,138</u>	<u>500,700</u>	<u>500,803</u>	<u>103</u>
EXPENDITURES				
Current				
Public Works				
Executive	168,509	172,629	153,683	18,946
Administrative	262,667	270,298	253,736	16,562
Maintenance	1,200	3,185	4,026	(841)
Non-departmental	15,762	17,762	18,809	(1,047)
Capital outlay				
Property, plant and equipment	55,000	144,250	144,248	2
TOTAL EXPENDITURES	<u>503,138</u>	<u>608,124</u>	<u>574,502</u>	<u>33,622</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>(107,424)</u>	<u>(73,699)</u>	<u>33,725</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Sale of capital assets	-	-	-	-
Donation of equipment	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	<u>-</u>	<u>(107,424)</u>	<u>(73,699)</u>	<u>33,725</u>
FUND BALANCE				
Beginning of year	379,326	379,326	379,326	-
End of year	<u>\$ 379,326</u>	<u>\$ 271,902</u>	<u>\$ 305,627</u>	<u>\$ 33,725</u>

The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT - OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGETED AMOUNTS		BUDGETARY	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes				
Property taxes	\$ 4,700,000	\$ 4,650,000	\$ 4,732,136	\$ 82,136
Intergovernmental				
State	455,036	455,035	453,921	(1,114)
Service charges, fees, and commissions	161,555	35,240	38,014	2,774
Interest	48,669	22,500	23,472	972
Miscellaneous	1,800	1,800	32,729	30,929
TOTAL REVENUES	5,367,060	5,164,575	5,280,272	115,697
EXPENDITURES				
Current				
Public Works				
Executive	186,282	244,054	230,649	13,405
Administrative	789,465	797,757	784,209	13,548
Maintenance	2,261,254	2,615,470	2,630,229	(14,759)
Non-departmental	396,502	392,159	393,212	(1,053)
Debt Service				
Principal	400,000	400,000	400,000	-
Interest	120,000	70,000	65,600	4,400
Capital outlay				
Property, plant and equipment	611,494	450,000	470,806	(20,806)
Levee construction projects	-	-	-	-
TOTAL EXPENDITURES	4,764,997	4,969,440	4,974,705	(5,265)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	602,063	195,135	305,567	110,432
OTHER FINANCING SOURCES (USES)				
Transfers in	550,000	637,000	639,893	2,893
Transfers out	(992,063)	(810,000)	(810,000)	-
Sale of capital assets	-	95,445	95,445	-
Bond proceeds	-	-	-	-
Donation of equipment	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(442,063)	(77,555)	(74,662)	2,893
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	160,000	117,580	230,905	113,325
FUND BALANCE				
Beginning of year	4,484,152	4,484,152	4,484,152	-
End of year	\$ 4,644,152	\$ 4,601,732	\$ 4,715,057	\$ 113,325

The accompanying notes are an integral part of this statement.

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**ALGIERS LEVEE DISTRICT - OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGETED AMOUNTS		BUDGETARY	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes				
Property taxes	\$ 1,898,751	\$ 2,320,751	\$ 2,351,200	\$ 30,449
Intergovernmental				
State	82,990	82,990	55,755	(27,235)
Service charges, fees, and commissions	-	-	50	50
Interest	61,522	6,200	7,182	982
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>2,043,263</u>	<u>2,409,941</u>	<u>2,414,187</u>	<u>4,246</u>
EXPENDITURES				
Current				
Public Works				
Executive	126,509	115,385	108,717	6,668
Administrative	17,519	51,990	50,861	1,129
Maintenance	230,382	82,110	71,019	11,091
Non-departmental	58,300	72,000	72,545	(545)
Debt Service				
Principal	-	-	-	-
Interest	-	-	-	-
Capital outlay				
Property, plant and equipment	-	-	-	-
Levee construction projects	-	-	-	-
TOTAL EXPENDITURES	<u>432,710</u>	<u>321,485</u>	<u>303,142</u>	<u>18,343</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,610,553</u>	<u>2,088,456</u>	<u>2,111,045</u>	<u>22,589</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(911,802)	(2,068,000)	(2,067,963)	37
Sale of capital assets	-	-	-	-
Donation of equipment	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(911,802)</u>	<u>(2,068,000)</u>	<u>(2,067,963)</u>	<u>37</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	698,751	20,456	43,082	22,626
FUND BALANCE				
Beginning of year	1,334,439	1,334,439	1,334,439	-
End of year	<u>\$ 2,033,190</u>	<u>\$ 1,354,895</u>	<u>\$ 1,377,521</u>	<u>\$ 22,626</u>

The accompanying notes are an integral part of this statement.

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**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Southeast Louisiana Flood Protection Authority – West (the “West Authority”) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the West Authority’s accounting policies are described below.

1. Reporting Entity

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and its component units. Component units are defined as legally separate organizations for which the elected or appointed officials of a primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization’s governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The West Authority was created by Act 1 of the First Extraordinary Session of 2006. The governing board of commissioners administers the operations and responsibilities in accordance with the provisions of Louisiana statutes. The West Authority is charged with overseeing the levee districts on the Westbank of the New Orleans Metropolitan area, which include the West Jefferson Levee District and the Algiers Levee District. The members of the Board are appointed by the Governor of the State of Louisiana from a list of nominations submitted by a nominating committee as provided by statute.

For financial reporting purposes, it has been determined that the West Authority is a component unit of the State of Louisiana. Annually, the State of Louisiana (the primary government) issues general purpose financial statements which include the activity contained in the accompanying financial statements. The State’s general purpose financial statements are issued by the Louisiana Division of Administration - Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As noted above, the West Authority is charged with the responsibility of overseeing the West Jefferson Levee District and the Algiers Levee District. Both of these levee districts are separate legal entities from the West Authority, however, because the West Authority's Board serves as their oversight board, they are, in substance, part of the West Authority and are included (i.e., blended) within the West Authority's financial report.

The West Jefferson Levee District was incorporated on August 1, 1980, under the provisions of Act 820 of the 1980 Legislative session, as amended (Civil Service code). It was charged with providing flood protection for those areas contained within the Parish of Jefferson to the west of the Mississippi River. Act 475 of the 2009 Legislative session amended the district by carving out a portion of the covered area and designating it the Lafitte Area Independent Levee District. All lands and other assets in the designated area were turned over by the West Jefferson Levee District to the new Lafitte Area Independent Levee District. West Jeff continues to cover those areas in Jefferson Parish to the west of the Mississippi River that are not within the boundaries of the Lafitte Area Independent Levee District.

The Algiers Levee District was formed by Act 475 of the 2007 Legislative session. This Act carved a section out of the existing Orleans Levee District, specifically that portion of the Parish of Orleans on the west side of the Mississippi River.

2. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the West Authority. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Because of the nature of the West Authority's operations, the West Authority reports only governmental activities.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

Funds are used by the West Authority to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. The funds of the West Authority are classified into the “governmental” category. The category, in turn, is divided into separate “fund types”.

Governmental funds are used to account for all or most of a government’s general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the general government not accounted for in some other fund.

Major individual governmental funds are reported as separate columns in the fund financial statements. The West Authority reports the following major governmental funds:

The ***SELFPA-W General Fund*** is the general operating fund of the West Authority. It is used to account for all financial resources except those required to be accounted for in another fund.

The ***WJLD Operations and Maintenance Special Revenue Fund*** is the general operating account for the West Jefferson Levee District. It is used to account for all financial resources dedicated to administration and maintenance costs of the district.

The ***ALD Operations and Maintenance Special Revenue Fund*** is the general operating account for the Algiers Levee District. It is used to account for all financial resources dedicated to administration and maintenance costs of the district.

The ***WJLD Emergency Operations Special Revenue Fund*** accounts for monies that are restricted to expenditures in the West Jefferson Levee District related to emergencies.

The ***ALD Emergency Operations Special Revenue Fund*** accounts for monies that are restricted to expenditures in the Algiers Levee District related to emergencies.

The ***WJLD Westbank Hurricane Protection Levee Capital Project Fund*** is used to account for financial resources dedicated by the West Jefferson Levee District to be used for acquisition or construction of major capital facilities and structures related to the Westbank Hurricane Levee system.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The *Lafitte Levee Capital Projects Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities and structures in the area of the Town of Jean Lafitte, lower Lafitte, and Barataria. This fund was closed at year end.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The West Authority considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Property taxes, intergovernmental revenues, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgments, only when payment is due.

4. Assets, Liabilities, and Net Assets or Equity

A. *Cash and Investments*

For reporting purposes, cash and cash equivalents includes amounts in demand deposits, time deposits, and certificates of deposit. Louisiana Revised Statutes allow the West Authority to invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

State statutes authorize the West Authority to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. In accordance with GASB Statement No. 31, investments, if any, are generally stated at fair value. If the investment is in money market securities and has a maturity date of less than 90 days from the balance sheet date, the investment is stated at cost or amortized cost.

B. *Interfund Receivables and Payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). As a general rule, all interfund balances are eliminated in the government-wide financial statements.

C. *Inventories*

The cost of materials and supplies acquired by the West Authority are recorded as expenditures at the time of purchase. It is management's opinion that the inventory of such materials and supplies at June 30, 2010 would not be material to the financial statements.

D. *Prepaid Insurance*

Payments made to vendors for services that will benefit periods beyond June 30, 2010, are recorded as expenditures when paid. It is management's opinion that the prepaid amount June 30, 2010, if any, would not be material to the financial statements.

E. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., levees, floodwalls, sector gates and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the West Authority as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and are included in construction in progress. The levees are divided into "reaches" and are capitalized as such. Any major "lifts" or improvements to an existing levee/reach are capitalized as an addition to that levee/reach.

Property, plant, equipment, and infrastructure are depreciated using the straight-line method (with a mid-year convention) over the following estimated useful lives:

<u>Asset Category</u>	<u>Estimated Life in Years</u>
Buildings	40
Furniture and fixtures	5
Autos and trucks	5
Mowers	5
Tractors	7-10
Heavy equipment	5
Radios	3
Infrastructure (levees, floodwalls, floodgates, etc.)	50

F. *Compensated Absences*

It is the West Authority's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the West Authority does not have a policy to pay any amounts when employees separate from service to the West Authority. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with GASB Statement No. 16, an additional liability is recorded for salary related payments associated with the future payments of compensated absences.

G. *Long-Term Obligations*

In the government-wide financial statements, long-term debt and other long-term debt obligations are recognized as liabilities in the applicable governmental activities statement of net assets.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payments of principal and interest are recorded as expenditures only when due.

H. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for a specific future use. Designated fund balances represent tentative plans for future use of financial resources that are subject to change.

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net assets – governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that “long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.” The details of this \$(1,807,379) difference are as follows:

Certificates of Indebtedness Payable	\$ (1,200,000)
Compensated Absences Payable	(231,065)
Unfunded Annual Required Contribution for OPEB	(376,314)
Net adjustment to reduce <i>fund balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u><u>\$ (1,807,379)</u></u>

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENT (CONTINUED)

2. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$108,106 difference are as follows:

Capital Outlay	\$ 1,568,803
Depreciation expense	(1,460,697)
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	<u>\$ 108,106</u>

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. Budget

Formal budgetary accounting is employed as a management control device during the year for the SELFPA-W General Fund, the WJLD Operations and Maintenance Special Revenue Fund, and the ALD Operations and Maintenance Special Revenue Fund. Budgetary data for the WJLD Emergency Special Revenue Fund is not presented since these funds are restricted for emergency purposes only and are considered unpredictable. Budgetary data for the Capital Project funds are not presented since these funds are budgeted over the life of the respective project, not on an annual basis.

Expenditures may not exceed appropriations at the object level within the fund. All annual appropriations which are not expended lapse at year end.

The budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Encumbrances are not recorded for budgetary purposes.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The Board of Commissioners of the West Authority submits the annual budgets to the Department of Transportation and Development - Office of Public Works (DOTD) and the Legislative Auditor for the succeeding fiscal year. The operating budgets include proposed expenditures and the means of financing them.

The DOTD reviews the budgets and makes recommendations pertaining thereto to the Board of Commissioners of the West Authority and the Legislative Auditor. Not less than ninety days before the end of the fiscal year, the Board of Commissioners adopts the annual budget after considering the recommendations of the DOTD. Amendments to the budget are made by the Board from time to time as is necessary.

The original budgets were adopted on March 27, 2009. The amended budgets were adopted on June 28, 2010. The budgeted amounts are included, respectively, as the original and final budgets in the accompanying statements.

2. Budget Amendments

The West Authority made several supplemental budgetary appropriations during the year. The most significant of the changes made are described below.

Revenues

The revenues of the West Authority's General Fund were relatively stable. The original budget called for a total of \$503,138, while the amended budget had revenues of \$500,700. The major line-item for the state allocation of operating costs to the West Authority was unchanged at \$500,000. The largest decrease was in Miscellaneous Income – down \$2,438.

The WJLD O & M Special Revenue Fund's final budget called for revenues of \$5,164,575, a decrease of \$(202,485) from the original budget. The largest decrease was seen in the Service Charges & Commissions, where the oil & gas royalties line was decreased by \$(125,674). This decrease has to do with the lower amount of drilling in the area for gas and oil. Property Taxes were reduced by \$(50,000) based on numbers available at the time. Finally, interest income was lowered by \$(26,169) as interest rates dropped to all time lows.

The ALD O & M Special Revenue Fund's final budget called for revenues of \$2,409,941, an increase of \$366,678 over the original. The largest change came in property taxes, which was increased \$422,000. This increase was a result of an increase in the property tax assessment roll. This increase was offset by a drop of \$(55,322) in interest income as rates dropped to all time lows.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Expenditures

The expenditures of the West Authority and its two main component units also changed during the year. The following is a recap of the changes made.

Fund/Object Level	Original Budget	Amendments	Final Budget
SELFPA-W General Fund			
Executive	\$ 168,509	\$ 4,120	\$ 172,629
Administrative	262,667	7,631	270,298
Maintenance	1,200	1,985	3,185
Non-departmental	15,762	2,000	17,762
Property, plant and equipment	55,000	89,250	144,250
	<u>\$ 503,138</u>	<u>\$ 104,986</u>	<u>\$ 608,124</u>
WJLD O & M Special Revenue Fund			
Executive	\$ 186,282	\$ 57,772	\$ 244,054
Administrative	789,465	8,292	797,757
Maintenance	2,261,254	354,216	2,615,470
Non-departmental	396,502	(4,343)	392,159
Debt service	520,000	(50,000)	470,000
Property, plant and equipment	611,494	(161,494)	450,000
	<u>\$ 4,764,997</u>	<u>\$ 204,443</u>	<u>\$ 4,969,440</u>
ALD O & M Special Revenue Fund			
Executive	\$ 126,509	\$ (11,124)	\$ 115,385
Administrative	17,519	34,471	51,990
Maintenance	230,382	(148,272)	82,110
Non-departmental	58,300	13,700	72,000
Property, plant and equipment	-	-	-
	<u>\$ 432,710</u>	<u>\$ (111,225)</u>	<u>\$ 321,485</u>

The SELFPA-W's General Fund expenditures increased \$104,986 as follows: Executive went up \$4,120 due to an increase in the commissioner's per-diem line-item and in legal fees, which were offset by decreases in payroll taxes and official journal costs. Administrative costs were increased \$7,631 due to increases in travel and office supplies. Maintenance increased \$1,985 due to increases in utilities. Non-departmental costs increased \$2,000 as insurance premiums rose. Finally, property, plant and equipment increased \$89,250 to reflect the purchase of equipment for the command center.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The WJLD O & M Special Revenue Fund expenditures increased \$204,443 as follows: Executive increased \$57,772, primarily due to an increase in professional services (legal and computer). Legal was up due to the assignment of a full-time legal consultant and computer consultants were up as the website was created and several modifications were made to the computer system. Administrative increased \$8,292, with the largest increases coming in internet costs, travel and conventions, and building repairs. These were offset by decreases in salaries and benefits. The increase in internet costs had to do with the modifications to the website and how it is being used. Travel and conventions increased as the Commissioners and Administrative personnel attended national workshops. Building repairs had to do with the command center area. Maintenance was up \$354,216 due mainly to 1) an increase in salaries and benefits and, 2) increases in property and equipment rentals. These increases were offset by a drop in utilities. Debt service costs were reduced \$(50,000) in accordance with the debt service payment schedule. Property, plant, and equipment decreased by \$(161,494) to account for a drop in heavy equipment (tractors).

The ALD O & M Special Revenue fund expenditures decreased \$(111,225) as follows: Executive was down \$(11,124) due to decreases in legal fees, offset by increases in computer and other consulting fees (related to the computer modifications noted above). Administrative costs were raised \$34,471, primarily to account for office supplies and internet costs. Maintenance went down \$(148,272) mainly due to a reduction of \$(185,000) in general supplies, offset by an increase in equipment rental. Non-departmental was up \$13,700 due to an increase in insurance costs.

Other Financing Sources (Uses)

Each fund also recognizes Other Financing Sources and Uses, primarily transfers in and out. These amounts changed as funding requirements changed.

3. Expenditures in Excess of Appropriations

For the year ended June 30, 2010, expenditures exceeded budget at various object levels within the following funds:

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Fund/Object	Budget	Actual	Over Budget
Southeast Louisiana Flood Protection Authority - West			
Maintenance	\$ 3,185	\$ 4,026	\$ (841)
Non-departmental	17,762	18,809	(1,047)
WJLD Operations and Maintenance Special Revenue Fund			
Maintenance	\$ 2,615,470	\$ 2,630,229	\$ (14,759)
Non-departmental	392,159	393,212	(1,053)
Capital Outlay - property, plant & equipment	450,000	470,806	(20,806)
ALD Operations and Maintenance Special Revenue Fund			
Non-departmental	\$ 72,000	\$ 72,545	\$ (545)

All of the overages were incidental and resulted from slight increases over what was originally estimated. The over budget items were funded through available fund balance.

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

1. Deposits with Financial Institutions

At June 30, 2010, deposits with financial institutions consisted of the following:

	Cash	Certificates of Deposit	Total
Deposits in Bank Accounts per Balance Sheet	\$ 12,799,613	\$ -	\$ 12,799,613
Bank Balances of Deposits Exposed to Custodial Credit Risk:			
A. Uninsured and uncollateralized	\$ -	\$ -	\$ -
B. Uninsured and collateralized with securities held by the pledging institution	-	-	-
C. Uninsured and collateralized with securities held by the pledging institution's trust department or agent but not in the Authority's name	-	-	-
Total Bank Balances Exposed to Custodial Credit Risk	\$ -	\$ -	\$ -
Total Bank Balances - All Deposits	\$ 12,848,055	\$ -	\$ 12,848,055

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

In addition, the West Jefferson Levee District has three escrow accounts related to the Westbank Hurricane Protection Levee Project. In the first, the District has \$160,634 on deposit with the U.S. Army Corps of Engineers (COE). The second account has \$340,155, which was contributed by the Parish of Jefferson for construction of the Mount Kennedy Pump Station. The third has \$417,377, which was contributed by Louisiana Gaming for work around the riverboat casino. These amounts are not reported on the financial statements, as they are being held in jointly-owned escrow accounts pursuant to the cooperative endeavor agreements signed with the COE. As the district makes deposits into the escrow accounts, an expenditure is recognized. COE is allowed to draw on the escrow funds as needed in connection with the Westbank Hurricane Protection Levee project (See Note F).

The Algiers Levee District also has money in escrow accounts that is not reflected on the financial statements. As per state statute, the property tax collections in Orleans Parish are given to the Orleans Levee District first. Algiers receives a pro-rata share of the taxes collected, however, before the money is distributed, the Orleans Levee District deducts a pro-rata share of the outstanding bonded debt of the district. The remaining funds are then forwarded to the Algiers Levee District Operations and Maintenance Fund.

The money that was withheld for the 2010 debt service was placed in two escrow accounts pending payment to the bond holders. At June 30, 2010, no bond payments had yet been made. These two escrow accounts had balances of \$780,570 and \$1,370,772, respectively.

2. Investments

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty's trust department or agent but not in the entity's name. The West Authority's investments consist of shares in the Louisiana Asset Management Pool (LAMP). The balance held by the Algiers Levee District O&M Fund as of June 30, 2010 is \$273,320. Because this investment is not evidenced by securities that exist in physical or book entry form, it is not categorized for the purposes of this note.

Credit Risk of Investments

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations. It is West Authority's policy to limit its investments in these investment types to the top ratings group. State statutes also allow the West Authority to invest in the Louisiana Asset Management Pool (LAMP).

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

The following table lists the Town's investments by credit quality rating, whether held directly or indirectly (i.e., LAMP):

<u>Rating</u>	<u>Fair Value</u>
AAAm	<u>\$ 273,320</u>

Interest Rate Risk

In accordance with the West Authority's investment policy, exposure to declines in fair values is managed by limiting the maturity of its investments to less than 1 year. By investing in LAMP, the West Authority is even less exposed to long-term interest rate risk.

Concentrations of Credit Risk

The West Authority does not limit how much can be invested in a particular issuer as long as the limits set forth in State Statutes are met. At June 30, 2010, 100 percent of the West Authority's investments of \$273,320 were invested with the Louisiana Asset Management Pool (LAMP).

3. Receivables

Receivables at year end for the West Authority's individual major funds, in the aggregate, total \$18,985, as follows:

<u>Description</u>	<u>SELFPA-W General Fd</u>	<u>WJLD O & M Fd</u>	<u>ALD O & M Fd</u>	<u>WJLD Emergency Fd</u>	<u>WJLD Westbank Hurricane Protection Levee</u>	<u>Total</u>
Ad Valorem taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State Revenue Sharing	-	-	-	-	-	-
State Capital Outlay Program	18,985	-	-	-	-	18,985
State Coastal Restoration fund	-	-	-	-	-	-
Other	-	-	-	-	-	-
	<u>\$ 18,985</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,985</u>

The \$18,985 receivable is made up of invoices claimed under the State Capital Outlay Program and relates to the Harvey Canal Interim Protection project (See Note F).

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

4. Capital Assets

The following is a summary of changes in capital assets during the fiscal year:

	Balance July 1, 2009	Additions	Deletions	Internal Transfers	Balance June 30, 2010
Governmental Activities:					
Capital Assets, Not Being Depreciated					
Land	\$ 6,375,642	\$ -	\$ (587,918)	\$ -	\$ 5,787,724
Construction in progress	-	-	-	-	-
Total Capital Assets, not depreciated	\$ 6,375,642	\$ -	\$ (587,918)	\$ -	\$ 5,787,724
Capital Assets, Being Depreciated					
Buildings	\$ 3,741,444	\$ 154,031	\$ -	\$ -	\$ 3,895,475
Furniture and Equipment	164,826	145,859	(1,610)	-	309,075
Machinery, Vehicles and Heavy Equip	1,823,939	316,615	(244,821)	-	1,895,733
Infrastructure	50,550,054	952,298	-	-	51,502,352
Total Capital Assets Being Depreciated	56,280,263	1,568,803	(246,431)	-	57,602,635
Less Accumulated Depreciation:					
Buildings	1,688,590	152,059	-	-	1,840,649
Furniture and Equipment	76,571	34,380	(268)	-	110,683
Machinery, Vehicles and Heavy Equip	1,155,876	179,273	(181,841)	-	1,153,308
Infrastructure	6,871,164	1,094,985	-	-	7,966,149
Total Accumulated Depreciation	9,792,201	1,460,697	(182,109)	-	11,070,789
Capital Assets Being Depreciated, Net	\$ 46,488,062	\$ 108,106	\$ (64,322)	\$ -	\$ 46,531,846
Total Governmental Activities Capital Assets, Net	\$ 52,863,704	\$ 108,106	\$ (652,240)	\$ -	\$ 52,319,570

During 2010, \$952,298 was capitalized into fixed assets as infrastructure. This amount related to construction work done on the Westbank Hurricane Protection Levee (See Note F). The \$(587,918) reduction in land related to a deposit made to the Parish Clerk's Office on an expropriation that was returned (it was expensed in prior years).

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUND (CONTINUED)

Depreciation expense was charged to the functions/segments of the West Authority as follows:

Component Unit/ Governmental Activity	Total
Public Works	
Executive	\$ 35,931
Administrative	100,451
Maintenance	229,330
Unallocated depreciation	1,094,985
Total Depreciation Expense	<u>\$ 1,460,697</u>

The unallocated depreciation relates to depreciation on the levee systems that are not allocable to the District's segments.

5. Long-Term Debt

Certificates of Indebtedness

On April 30, 2009, the West Authority issued Certificates of Indebtedness in the name of the West Jefferson Levee District in the amount of \$2,000,000 to finance the construction of the emergency command center. The certificates are secured by the pledge and dedication of excess annual revenues of the district over and above statutory, necessary and usual charges for the fiscal years ending June 30, 2009 to June 30, 2013. The certificates carry an interest rate of 4.10 percent, with payments of principal in the amount of \$400,000 due each year beginning on May 1, 2010. Interest is payable on May 1st and November 1st of each year. The final maturity date is May 1, 2013. The amount outstanding at year end was \$1,200,000.

Compensated Absences

West Authority employees, primarily those of the West Jefferson Levee District, earn annual and sick leave at various rates depending on the number of years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited.

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Upon termination, an employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, the number of hours of unused sick leave is computed and considered in computing the years of service for retirement benefit purposes. Compensatory time is accrued up to a balance of 240 hours at a rate of time and one-half. An employee who exceeds 240 hours receives either monetary consideration or compensatory time for the amount of hours earned in excess of the 240 hour limit. Upon termination, an employee is paid for unused compensatory time. The amount outstanding at year end was \$231,065.

Changes in Long-Term Debt

The following is a summary of changes in general long-term obligations of the West Authority for the fiscal year ended June 30, 2010:

Type of Debt	Balance 7/1/2009	Additions (Reductions)	Balance 6/30/2010	Due Within One Year	Due in More Than One Year
Certificates of Indebtedness	\$ 1,600,000	\$ (400,000)	\$ 1,200,000	\$ 400,000	\$ 800,000
Compensated Absences	220,616	10,449	231,065	231,065	-
Other Post Employment Benefits (Note H)	247,503	128,811	376,314	-	376,314
	<u>\$ 2,068,119</u>	<u>\$ (260,740)</u>	<u>\$ 1,807,379</u>	<u>\$ 631,065</u>	<u>\$ 1,176,314</u>

The West Authority considers the compensated absences as due in less than one year. Thus, the government-wide financial statement of net assets shows \$631,065 as payable within one year.

Annual Debt Service to Maturity

Annual debt service to maturity on outstanding long-term debt, including interest of \$98,400, is as follows:

Fiscal Year Ending June 30,	Certificates of Indebtedness		
	Principal	Interest	Total
2011	400,000	49,200	449,200
2012	400,000	32,800	432,800
2013	400,000	16,400	416,400
	<u>\$ 1,200,000</u>	<u>\$ 98,400</u>	<u>\$ 1,298,400</u>

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

6. Reservations and Designations of Fund Balances

The nature and purpose of the reserves of fund balances (or restricted net assets) shown on the government-wide and fund financial statements are as follows:

Designated for Emergencies

The West Jefferson Levee District (WJLD) adopted a policy whereby any surplus fund balance remaining at year end in its O & M Fund is to be restricted for emergency purposes. These funds are not available for normal operating activities and can only be expended upon the declaration of an emergency by the Authority. At year end, \$4,153,085 is designated for this purpose out of the WJLD Emergency Special Revenue Fund's fund balance. The West Authority adopted a similar plan for the Algiers Levee District. Thus, the \$1,881,240 placed into the ALD Emergency Special Revenue Fund is also designated for emergency purchases.

7. Interfund Transactions

Interfund Transfers

A summary of interfund transfers by fund for the fiscal year ended June 30, 2010 is as follows:

Fund	Transfers To/From	Transfer In	Transfer Out
WJLD O & M Special Revenue	ALD O & M Special Revenue	\$ 607,963	\$ -
	WJLD Emergency Special Revenue	-	810,000
	WJLD Lafitte Levee Capital Project	31,930	-
		<u>639,893</u>	<u>810,000</u>
ALD O & M Special Revenue	WJLD O & M Special Revenue	-	607,963
	ALD Emergency Special Revenue	-	1,460,000
		<u>-</u>	<u>2,067,963</u>
WJLD Emergency Special Revenue	WJLD O & M Special Revenue	<u>810,000</u>	-
ALD Emergency Special Revenue	ALD O & M Special Revenue	<u>1,460,000</u>	-
WJLD Lafitte Levee Capital Project	WJLD O & M Special Revenue	<u>-</u>	<u>31,930</u>
Total All Funds		<u>\$ 2,909,893</u>	<u>\$ 2,909,893</u>

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The Algiers Levee O & M Fund reimburses the West Jefferson Levee O & M Fund for operating and administrative costs directly attributable to their activities. The West Jefferson Levee O & M Fund sets aside a portion of its annual surplus in the WJLD Emergency Fund. The Algiers Levee O & M Fund is also putting money aside into the ALD Emergency Fund. The WJLD Lafitte Levee Capital Project fund was closed during the year to the WJLD O & M Fund.

Interfund Receivables and Payables

A summary of interfund balances at June 30, 2010 is as follows:

<u>Fund</u>	<u>Due To/From</u>	<u>Due From</u>	<u>Due To</u>
SELFPA-W General Fund	WJLD O & M Special Revenue	\$ 83,513	\$ -
WJLD O & M Special Revenue	SELFPA-W General Fund	-	83,513
	ALD O & M Special Revenue	276,474	-
	WJLD Emergency Special Revenue	-	622,614
	WJLD Westbank Hurricane Protection Capital Project	-	638,549
		<u>276,474</u>	<u>1,344,676</u>
ALD O & M Special Revenue	WJLD O & M Special Revenue	-	276,474
		<u>-</u>	<u>276,474</u>
WJLD Emergency Special Revenue	WJLD O & M Special Revenue	622,614	-
WJLD Westbank Hurricane Protection Capital Project	WJLD O & M Special Revenue	638,549	-
	WJLD Lafitte Levee Capital Project	-	-
		<u>638,549</u>	<u>-</u>
Total All Funds		<u>\$ 1,621,150</u>	<u>\$ 1,621,150</u>

These interfund balances and transfers are eliminated and not presented in the Statement of Activities.

8. Ad Valorem Taxes

West Jefferson Levee District

Article 6, § 39 of the 1974 Louisiana Constitution provides that for the purposes of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the West Jefferson Levee District may levy annually, a tax not to exceed 5.00 mills. If the district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of 5.00 mills must be approved by a majority vote of the electorate.

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The district levies an ad valorem (property tax) on real property within the district boundaries to finance operations and maintenance activities. The levy is generally made as of November 15 of each year. The tax is then due, and becomes an enforceable lien on the property, on the first day of the month following the filing of the tax roll by the Parish Assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent 30 days after its due date.

Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor's Office (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the Jefferson Parish Sheriff's Office and Ex-Officio Tax Collector (a separate entity), which receives a certain millage for its services. The taxes remitted by the Sheriff to the district are net of assessor's commission and pension fund contributions.

The number of mills levied for operations and maintenance on the 2009 and the 2008 tax rolls were 5.03 for each year. This millage rate generated revenues of \$4,932,136 in the current year. This amount is recorded as revenue by WJLD O & M Fund, net of \$200,000 given to Lafitte Area Independent Levee District. See Note E.2 for a discussion of the distribution of taxes between WJLD and the Lafitte Area Independent Levee District.

Algiers Levee District

Article 6, § 39 of the 1974 Louisiana Constitution provides that for the purposes of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the Orleans Levee District may levy annually, a tax not to exceed 5.46 mills. If the district needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of 5.46 mills must be approved by a majority vote of the electorate. The area covered by this tax includes the area included in the newly formed Algiers Levee District.

In 1983, the voters of the Parish of Orleans elected to continue a 6.55 mill tax on assessed property for a period of 30 years (1985 to 2015) to finance hurricane and flood protection projects and to fund the retirement of levee improvement bonds. An additional millage of 0.75 mills is levied pursuant to a special election held in 1974 to provide a "general maintenance" tax to finance the general maintenance expenditures of the Orleans Levee District. Again, the areas covered by these taxes include the area now governed by the newly created Algiers Levee District.

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

The actual millage rates levied for 2010 were 5.46 constitutional, 6.55 levee improvements, and 0.75 for general maintenance. These were the same amounts levied last year.

The Orleans Levee District levies an ad valorem (property tax) on real property within the district boundaries to finance operations and maintenance activities based on the assessed values of the prior August 15. As provided by LRS 47:1997(b), ad valorem taxes are assessed for the calendar year, become due on January 1 of each year, and delinquent on February 1 of each year. The taxes are generally collected between January and April of each year.

Ad valorem taxes are levied based on property values in the City of New Orleans determined by an Elected Board of Assessors (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the City's Revenue Department (a separate entity). The taxes are remitted by the City to the district.

As noted previously, the Algiers Levee District was formed by Act 475 of the 2009 Legislative session by carving an area out of the Orleans Levee District and placing it under the control of the West Authority. Due to the amount of outstanding debt on the books of the Orleans Levee District at the time of this reorganization, the Act provides for the distribution of the ad valorem taxes collected by the Orleans Levee District on a pro-rata share (7.62%) after a deduction for Algiers' share of the debt service payments. For the current fiscal year, the following revenues were recognized by the Algiers Levee District:

Description	Amount Recognized
Ad Valorem Taxes - Current	\$ 2,413,066
Ad Valorem Taxes - Back Tax	100,819
Algiers' pro-rata share of debt service	<u>(162,685)</u>
Net Tax Amount	2,351,200
State Revenue Sharing	55,755
Net Amount Recognized by ALD	<u><u>\$ 2,406,955</u></u>

The figures shown above that were withheld for the Algiers' pro-rata share of debt service has been deposited into the Escrow Accounts held by the Orleans Levee District discussed in Note D.1.

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NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

9. Intergovernmental Revenues

Pursuant to Act 1 of the First Extraordinary Session of 2006, the State provides operating funds of up to \$500,000 to the West Authority. During 2010, the amount recognized by the West Authority totaled \$500,000.

NOTE E - COMMITMENTS AND CONTINGENCIES

1. Risk Management

The West Authority and its component units are exposed to various risks of loss resulting from personal injury; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect against these risks of loss, the West Authority purchases various types of insurance from commercial carriers.

Under these policies, general liability coverage is provided for up to a maximum of \$1,000,000 per occurrence (\$2,000,000 in the aggregate); automobile coverage is \$1,000,000 for combined single limits for all automobiles; and worker's compensation is provided at the statutory limits of \$1,000,000/\$1,000,000/\$1,000,000. In each policy, the West Authority or its component unit is responsible for the applicable deductible.

2. Contingent Liabilities

Federal and State Financial Assistance

Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the West Authority expects such amounts, if any, to be immaterial.

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NOTE E - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Litigation

The West Authority and its component units are defendants in a number of claims and lawsuits. The West Authority's attorney has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the West Authority and to arrive at an estimate, if any, of the amount or range of potential loss to the West Authority.

As a result of such a review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", and "remote" categories, as defined in GASB Codification Section C50 for Claims and Judgments. In the opinion of management, the West Authority has adequate legal defenses or insurance coverage with respect to each of these claims and lawsuits and does not believe that they will materially affect the West Authority's financial statements.

One claim for \$525,000 was deemed "reasonably possible" by the West Authority's legal counsel. This claim relates to the taking of property along the Harvey Canal by the State of Louisiana for the Westbank and Vicinity Hurricane Protection Project by Executive Orders No. KBB 2007-5 and KBB 2007-19. Negotiations are ongoing and no settlements have been reached as of the date of this report. The U.S. Army Corps of Engineers would be contractually obligated to pay any amount of an approved negotiated settlement or any amount in which the West Jefferson Levee District may be cast in judgment.

Lafitte Area Independent Levee District

Act 475 of the 2007 Legislative session carved out a portion of the West Jefferson Levee District (WJLD) into a new Lafitte Area Independent Levee District. As per the creating statute, WJLD turned over all assets and funds in the newly created area to the Lafitte Levee District. Several capital assets were transferred to the new district; however, due to the timing of the reorganization and delays in setting up the new district, WJLD continues to receive the ad valorem taxes for the entire area for the current tax roll year.

The Assessor's Office has yet to make a final determination on the allocation of taxes between WJLD and Lafitte based on a review of the tax rolls. In the meantime, WJLD advanced \$150,000 in 2008, \$200,000 in 2009, and \$200,000 in 2010 to Lafitte as a down-payment on taxes owed.

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NOTE E - COMMITMENTS AND CONTINGENCIES (CONTINUED)

In April 2008, the Assessor's Office indicated that WJLD owed Lafitte an additional \$77,205. This would mean that an additional \$27,205 is due for each of the tax rolls in 2009 and 2010. WJLD is disputing these figures as the Assessor's numbers appears to include property outside of the statutory boundaries of the newly created Lafitte Levee District. The West Authority has asked the Assessor's Office to take a second look at their calculations. Due to the uncertainty of the amounts, nothing has been accrued in the financial statements.

NOTE F – JOINT VENTURE – WESTBANK HURRICANE PROTECTION LEVEE

1. Description of Projects

The Initial Westbank and Vicinity Hurricane Protection Project

Pursuant to a project cooperative agreement (PCA) dated December 18, 1980, the West Jefferson Levee District (WJLD) and the U.S. Army Corps of Engineers (COE) began constructing a hurricane protection levee system within the District's boundaries under a "cost-sharing" agreement. Under the original agreement, the project was limited to the West of Harvey Canal and the District was to provide 35 percent of the cost as a local match. The WJLD's share was to be made up of expropriations, easements, land acquisitions, relocation assistance and in-kind construction work. Upon completion of the levee, the District would be responsible for maintenance and repairs of the levee system (i.e., fertilizing and cutting the grass, monitoring crossings, minor repairs, etc.).

In August 2005, Hurricane Katrina struck the area. In the aftermath of the storm, the Westbank and Vicinity Hurricane Levee project was modified and placed under the control of the COE.

Post-Katrina Projects

In the wake of Hurricane Katrina, several changes were made/proposed to the project. In December 2006, the United States Congress passed the 3rd Supplemental Emergency Bill which provides approximately \$200.0 million to the District to repair deficient flood-walls and to accelerate completion of those parts of the project not yet finished. 100 percent of the funding is to be provided by the Federal Government through the COE.

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**NOTE F – JOINT VENTURE – WESTBANK HURRICANE PROTECTION LEVEE
(CONTINUED)**

In June 2009, Congress passed the 4th Supplemental Emergency Bill which provided an additional \$495.0 million to raise the authorized elevation of levees in the area to meet the requirements of a 100 year event. Flood-wall construction is to be funded at 100 percent by the Federal Government, but levee construction is now funded at 65 percent Federal and 35 percent Local. This appropriation is to be spent on the Westbank Hurricane Protection Levee and the Lake Ponchartrain Levee (managed by the East Jefferson Levee District). The bill does not allocate the funding between agencies/jurisdictions.

The 4th Supplemental Emergency Bill also provides \$1.584 billion to replace all flood-walls within the New Orleans Metropolitan area, including the Parishes of Orleans, St. Bernard, and Jefferson (which includes the area managed by the West Jefferson Levee District). The bill does not allocate the funding between agencies/jurisdictions.

The State amended the Project Cooperative Agreement (PCA) between the State DOTD, the COE, and the levee districts to provide for these changes. Amendment No. 2 to the agreement defines the funding and responsibilities for the 3rd Supplemental Emergency Bill. Amendment No. 3 to the agreement is not yet completed, but is going to address the funding and responsibilities for the 4th Supplemental Emergency Bill.

To provide for the continued construction of hurricane flood protection for coastal Louisiana, the State legislature amended existing legislation that created the Coastal and Restoration Authority (CRA) to add hurricane flood protection to its responsibility by creating the Coastal Protection and Restoration Authority (CPRA). This organization was charged with the duty of providing “one voice” from which to speak on all issues involving coastal restoration and hurricane protection for the State of Louisiana.

It is in this regard that the CPRA executed a Project Partnership Agreement with the U.S. Army Corps of Engineers on November 6, 2008, to cover the relationship between non-federal interests and the Corps for continued construction of the West Bank and Vicinity Hurricane Protection Project.

In this agreement, the State agreed to provide for the 35% required nonfederal match needed for the project. The Southeast Louisiana Flood Protection Authority – West (West Authority) through its West Jefferson Levee District has accepted the responsibility of managing the duties of land acquisition and relocation of impacted utilities/facilities. The cost of this activity is being borne by the Office of Coastal Protection and Restoration through the payment of reimbursable items as submitted by the West Jefferson Levee District.

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**NOTE F - JOINT VENTURE - WESTBANK HURRICANE PROTECTION LEVEE
(CONTINUED)**

An agreement between the CPRA and the West Authority, on behalf of its component unit the West Jefferson Levee District (WJLD), is currently in negotiation. The agreement will detail the responsibilities and duties of the WJLD as to its participation in construction, inspection, funding and operation and maintenance of the completed hurricane project.

2. Funding of the Projects

The Initial Westbank Hurricane Protection Project

Under the original project, the COE would notify the State and the District each year of the amount of cash assistance (or equivalent work) required of the “non-federal” sponsor each fiscal year. The matching funds are derived from local revenues of the District and State Capital Outlay or Statewide Flood Control monies. Any cash match would be deposited into escrow accounts set up with the COE. Non-cash matches and the District’s direct expenditures are submitted as “credits” to the COE to be applied against the non-federal share.

Funding was originally provided through local funds, Statewide Flood Control funds, and State Capital Outlay funds. The schedule below shows the funds utilized on this project (State Project No. 750-99-0102) through the years.

Year Awarded	Amount Awarded	Amount Expended in Prior Years	Amount Expended In Current Year	Balance
95/96	\$ 200,000	\$ 200,000	\$ -	\$ -
96/97	500,000	500,000	-	-
98/99	1,000,000	1,000,000	-	-
98/99	600,000	600,000	-	-
98/99	5,400,000	5,399,931	-	69
99/00	5,000,000	5,000,000	-	-
01/02	2,450,000	2,450,000	-	-
02/03	4,000,000	4,000,000	-	-
03/04	2,500,000	1,600,139	362,065	537,796
05/06	6,000,000	-	-	6,000,000
	<u>\$ 27,650,000</u>	<u>\$ 20,750,070</u>	<u>\$ 362,065</u>	<u>\$ 6,537,865</u>

As the interim work at the Harvey Canal nears completion, the Westbank Hurricane & Vicinity project is beginning to be utilized again. During 2010, \$362,065 was expended on this project. Of this amount \$18,985 is still receivable at year end and has been accrued (See Note D.3).

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**NOTE F - JOINT VENTURE - WESTBANK HURRICANE PROTECTION LEVEE
(CONTINUED)**

Post-Katrina Projects

Until the Local Cooperative Agreement is completely amended, the District's funding responsibilities under the new projects are not known. As noted above, the COE is currently paying for 100 percent of the repairs and improvements to the levee system.

One project not being paid for by the COE is the East of Harvey Canal Interim Flood Protection project (Project No. 579-26-004). This project is being funded by the State's General Fund by statutory dedication out of the Coastal Protection and Restoration Fund administered by the Louisiana Department of Transportation and Development (LA-DOTD). Act 203 of the 2009 Regular Session designated \$4,000,000 for this project. During 2010, the West Authority recognized \$(10,176) on this project due to some costs being claimed on the wrong program in the previous year (see above). As of June 30, 2010, \$3,838,602 has been received, leaving a balance of \$161,398 for future costs.

Year Awarded	Amount Awarded	Amount Expended in Prior Years	Amount Expended In Current Year	Balance
07/08	\$ 4,000,000	\$ 3,848,778	\$ (10,176)	\$ 161,398

3. Status of the Projects

As of June 30, 2010, all of the major reaches of the Westwego to Harvey Canal phase have been completed and are capitalized into fixed assets as infrastructure. Some reaches are entering a "lift" phase, which will be accounted for as an addition to that particular reach upon completion. The rest of East of Harvey and Lake Cataouatche sections were in progress until the COE took over all of the work, as called for in the 3rd Supplemental Emergency Bill. Thus, the COE is now responsible for all repairs, land acquisitions and expropriations. Once this phase of work is done, the District may be required to resume its role in the projects.

The post-Katrina projects undertaken by the COE continue to progress. Various floodwalls and floodgates along the Harvey Canal and Bayou Segnette area have been completed or are in progress. Once completed, these structures will be turned over to the West Authority for maintenance and upkeep. Additional flood structures and pumping stations are still under construction.

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NOTE G - LAFITTE AND VICINITY LEVEES

The Town of Jean Lafitte, lower Lafitte, and the Barataria/Crown Point vicinities lie outside of the area protected by the Westbank Hurricane Protection Levee project (See Note F). Since these areas are very susceptible to flooding, the District was in the process of constructing various flood control levees throughout the area. There were four phases of the project - 1) Fisher Basin (Jean Lafitte Tidal Protection), 2) Goose Bayou Basin (Lafitte Tidal Protection), 3) Rosethorne, and 4) Paillet Basin (Barataria Tidal Protection).

As discussed in Note E.2, Act 475 of the 2009 Legislative session carved out a portion of the West Jefferson Levee District (WJLD) into a new Lafitte Area Independent Levee District. Under the creating statute, WJLD turned over all assets and funds in the newly created area to the Lafitte Levee District. Thus, these projects are now the responsibility of the Lafitte Area Independent Levee District and are no longer reported for by the West Authority or the West Jefferson Levee District.

NOTE H - OTHER INFORMATION

1. Pension Plan

Plan Description and Provisions

The West Authority contributes to the Louisiana State Employees' Retirement System (the "System"), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). The System is a statewide public retirement system for the benefit of State Agencies and their staffs, which is administered and controlled by a separate board of trustees. The System was established and provided for within Title 11 of Chapter 401 of the Louisiana Revised Statutes.

Contributions of participating agencies, together with shared local and state revenues, are pooled within the System to fund accrued benefits, with employer/employee contribution rates approved by the Legislature. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Louisiana State Employees' Retirement System, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE H - OTHER INFORMATION (CONTINUED)

Funding Policy

In addition to ad valorem and insurance premium taxes that are remitted to the System (which constitute the major funding of the System), plan members are required by State statute to contribute 7.65 percent of gross salary and the West Authority is required to contribute at an actuarially determined rate. The current rate is 18.60 percent of annual covered payroll. The contribution requirements of plan members and the West Authority are established and may be amended by the System's Board of Trustees.

The contributions for the year ended June 30, 2010 were as follows:

		Covered Payroll	Amount	Percent of Covered Payroll
Employee	\$	1,638,824	\$ 125,112	7.63%
Employer		1,638,824	312,134	19.05%

The West Authority's contributions for the previous two fiscal years were \$254,883 and \$223,915, which equaled the required contributions for each year.

2. Deferred Compensation

The West Authority offers the employees of the West Jefferson Levee District a deferred compensation plan (the "plan") created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all employees of the district, permits them to defer a portion of their salary until future years. The West Authority matches any contributions into the plan on a one-for-one basis up to \$35. During the year, the West Authority expended \$43,175 as a match on deferred compensation.

The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. Investments are managed by the Plan's trustee (Great Western). The choice of the investment option(s) are made by the Plan participants. In 1996, the U.S. Congress passed the Small Business Job Protection Act of 1996, which requires that employer governments place all amounts deferred under IRC Section 457 into a trust for the exclusive benefit of participants and their beneficiaries. Thus, the District does not have ownership of the plan assets and does not report them in the West Authority's financial statements.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE H - OTHER INFORMATION (CONTINUED)

3. Post-employment Health Care Benefits

Plan Description

The West Authority's medical benefits are provided through the Louisiana Office of Group Benefits (OGB) and involve several statewide networks and one HMO with a premium structure by region. The OGB plan is a fully insured, multiple-employer arrangement and has been deemed to be an *agent multiple-employer plan* (within the meaning of paragraph 22 of GASB 45) for financial reporting purposes and for this valuation.

The OGB "Medicare Advantage" plan has been assumed to apply to those employees after Medicare eligibility for purposes of this valuation. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (DROP entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service.

Life insurance coverage under the OGB program is available to retirees by election and the blended rate (active and retired) is \$0.96 per \$1,000 of insurance. The employer pays 50% of the cost of the retiree life insurance. Insurance coverage amounts are reduced at age 65 and again at age 70 according to the OGB plan provisions.

Contribution Rates

Employees do not contribute to their post employment benefits costs until they become retirees and begin receiving those benefits. The plan provisions and contribution rates are contained in the official plan documents of the OGB.

Funding Policy

Until 2007, the West Authority recognized the cost of providing post-employment medical and life benefits (the West Authority's portion of the retiree medical and life benefit premiums) as an expense when the benefit premiums were due and thus financed the cost of the post-employment benefits on a pay-as-you-go basis. Effective with the fiscal year beginning July 1, 2007, the West Authority implemented Government Accounting Standards Board Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions* (GASB 45). The funding policy is not to fund the ARC except to the extent of the current year's retiree funding costs.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE H - OTHER INFORMATION (CONTINUED)

In 2010, the West Authority's portion of health care funding cost for retired employees totaled \$82,746, and the life insurance totaled \$1,376. These amounts were applied toward the Net OPEB Benefit Obligation as shown in the following table.

Annual Required Contribution

The West Authority's Annual Required Contribution (ARC) is an amount actuarially determined in accordance with GASB 45. The Annual Required Contribution (ARC) is the sum of the Normal Cost plus the contribution to amortize the Actuarial Accrued Liability (AAL). A level dollar, open amortization period of 30 years (the maximum amortization period allowed by GASB 43/45) has been used for the post-employment benefits. The total ARC for the fiscal year beginning July 1, 2009 is \$206,916 for medical, and \$10,430 for life, as set forth below:

	<u>Medical</u>	<u>Life</u>
Normal Cost	\$ 63,318	\$ 3,358
30-year UAL Amortization Amount	143,598	7,072
	<u>\$ 206,916</u>	<u>\$ 10,430</u>

Net Post-employment Benefit Obligation (Asset)

The table below shows the West Authority's Net Other Post-employment Benefit (OPEB) Obligation (Asset) for fiscal year ending June 30, 2010:

	<u>Medical</u>	<u>Life</u>
Beginning Net OPEB Obligation (Asset) 7/1/2009:	\$ 230,351	\$ 17,152
Annual Required Contribution	206,916	10,430
Add: Interest on Net OPEB Obligation (Asset)	9,214	686
Less: ARC Adjustment	<u>(13,321)</u>	<u>(992)</u>
OPEB Cost	202,809	10,124
Less: Contributions	-	-
Less: Current Year Retiree Premiums	(82,746)	(1,376)
Change in Net OPEB Obligation	<u>120,063</u>	<u>8,748</u>
Ending Net OPEB Obligation (Asset) at 6/30/2010:	<u>\$ 350,414</u>	<u>\$ 25,900</u>

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE H - OTHER INFORMATION (CONTINUED)

The following table shows the West Authority's annual post employment benefits (PEB) cost, percentage of the cost contributed, and the net unfunded post employment benefits (PEB) liability (asset):

Post Employment Benefit	Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual Cost Contributed	Net PEB Liability (Asset)
Medical	6/30/2010	\$ 202,809	40.80%	\$ 350,414
Life	6/30/2010	\$ 10,124	13.59%	\$ 25,900

Funded Status and Funding Progress

In the fiscal year ending June 30, 2010, the West Authority made no contributions to its post employment benefits plan. The plan was not funded at all, has no assets, and hence has a funded ratio of zero. As of June 30, 2010, the Actuarial Accrued Liability (AAL) was \$2,483,127 (medical) and \$122,272 (life), which is defined as that portion, as determined by a particular actuarial cost method (the West Authority uses the Unit Credit Cost Method), of the actuarial present value of post employment plan benefits and expenses which is not provided by normal cost.

Since the plan was not funded in fiscal year 2009/2010, the entire actuarial accrued liability of \$2,483,127 (medical) and \$122,272 (life) was unfunded.

	Medical	Life
Actuarial Accrued Liability (AAL)	\$ 2,483,127	\$ 122,272
Actuarial Value of Plan Assets	-	-
Unfunded Actuarial Accrued Liability (UAAL)	\$ 2,483,127	\$ 122,272
Funded Ratio (Actuarial Value of Assets/AAL)	0.0%	0.0%
Covered Payroll (active plan members)	\$ 1,910,619	\$ 1,910,619
UAAL as a percentage of covered payroll	129.96%	6.40%

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE H - OTHER INFORMATION (CONTINUED)

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The actuarial valuation for post employment benefits includes estimates and assumptions regarding (1) turnover rate; (2) retirement rate; (3) health care cost trend rate; (4) mortality rate; (5) discount rate (investment return assumption); and (6) the period to which the costs apply (past, current, or future years of service by employees). Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan (as understood by the West Authority and its employee plan members) at the time of the valuation and on the pattern of sharing costs between the West Authority and its plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the West Authority and plan members in the future. Consistent with the long-term perspective of actuarial calculations, the actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial liabilities and the actuarial value of assets.

Actuarial Cost Method

The ARC is determined using the Unit Credit Cost Method. The employer portion of the cost for retiree medical care in each future year is determined by projecting the current cost levels using the healthcare cost trend rate and discounting this projected amount to the valuation date using the other described pertinent actuarial assumptions, including the investment return assumption (discount rate), mortality, and turnover.

Actuarial Value of Plan Assets

Since this is the first actuarial valuation, there are not any assets. It is anticipated that in future valuations, a smoothed market value consistent with Actuarial Standards Board ASOP 6, as provided in paragraph number 125 of GASB Statement 45.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE H - OTHER INFORMATION (CONTINUED)

Turnover Rate

An age-related turnover scale based on actual experience as described by administrative staff has been used. The rates, when applied to the active employee census, produce an annual turnover of approximately 10%. The rates for each age are below:

<u>Age</u>	<u>Percent Turnover</u>
18 - 25	20.0%
26 - 40	14.0%
41 - 54	9.0%
55+	6.0%

Post employment Benefit Plan Eligibility Requirements

It is assumed that entitlement to benefits will commence five years after earliest eligibility to enter the DROP as described on the first page of this letter under the heading "Plan Terms". This consists of a three year DROP period plus an additional two year delay. Medical benefits are provided to employees upon actual retirement. Employees are covered by the Louisiana State Employees' Retirement System (LASERS), whose retirement eligibility (DROP entry) provisions as follows: 30 years of service at any age; age 55 and 25 years of service; or, age 60 and 10 years of service. Entitlement to benefits continues through Medicare to death.

Investment Return Assumption (Discount Rate)

GASB Statement 45 states that the investment return assumption should be the estimated long-term investment yield on the investments that are expected to be used to finance the payment of benefits (that is, for a plan which is funded). Based on the assumption that the ARC will be funded, a 4% annual investment return has been used in this valuation. This is a conservative estimate of the expected long term return of a balanced and conservative investment portfolio under professional management.

Health Care Cost Trend Rate

The expected rate of increase in medical cost is based on projections performed by the Office of the Actuary at the Centers for Medicare & Medicaid Services as published in National Health Care Expenditures Projections: 2003 to 2013, Table 3: National Health Expenditures, Aggregate and per Capita Amounts, Percent Distribution and Average Annual Percent Change by Source of Funds: Selected Calendar Years 1990-2013, released in January, 2004 by the Health Care Financing Administration (www.cms.hhs.gov). "State and Local" rates for 2009 through 2013 from this report were used, with rates beyond 2013 graduated down to an ultimate annual rate of 5.0% for 2016 and later.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2010**

NOTE H - OTHER INFORMATION (CONTINUED)

Mortality Rate

The 1994 Group Annuity Reserving (94GAR) table, projected to 2002, based on a fixed blend of 50% of the unloaded male mortality rate and 50% of the unloaded female mortality rates, was used. This is the mortality table which the Internal Revenue Service requires to be used in determining the value of accrued benefits in defined benefit pension plans. Since GASB 45 requires the use of "unblended" rates, we have used the 94GAR mortality table described above to "unblend" the rates so as to reproduce the composite blended rate overall as the rate structure to calculate the actuarial valuation results for life insurance.

Method of Determining Value of Benefits

The "value of benefits" has been assumed to be the portion of the premium after retirement date expected to be paid by the West Authority for each retiree and has been used as the basis for calculating the actuarial present value of OPEB benefits to be paid. The OGB medical rates provided are "unblended" rates for active and retired as required by GASB 45 for valuation purposes.

4. Economic Dependence

As discussed in Note D.8 above, the West Authority's primary source of revenue is a state appropriation of \$500,000 for operations. These revenues accounted for 99.8 percent of the revenues of the West Authority's General Fund during 2010. The appropriation is part of the State's budget and is to be renewed each year as part of the State's budget process.

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INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES				
CURRENT				
PUBLIC WORKS				
EXECUTIVE				
Commissioners				
Per diem	\$ 30,090	\$ 49,726	\$ 43,882	\$ 5,844
Travel	13,230	15,000	12,659	2,341
Convention/workshops	-	-	-	-
Payroll taxes	10,500	60	1,684	(1,624)
Official journal	14,643	693	589	104
Dues and subscriptions	4,875	750	1,021	(271)
Professional services				
Legal	38,270	55,000	48,071	6,929
Accounting and auditing	900	900	805	95
Computer	30,500	25,000	22,948	2,052
Other	25,501	25,500	22,024	3,476
Office rent	-	-	-	-
Total Executive	<u>168,509</u>	<u>172,629</u>	<u>153,683</u>	<u>18,946</u>
ADMINISTRATIVE				
Salaries	185,000	201,300	185,040	16,260
Health and life insurance	20,160	10,570	13,655	(3,085)
Retirement	37,000	24,500	23,204	1,296
Deferred compensation match	2,683	2,683	3,468	(785)
Payroll taxes	3,620	1,900	1,993	(93)
Worker's compensation	350	-	-	-
Employee physicals and testing	-	1,500	1,415	85
Travel	2,492	4,600	5,651	(1,051)
Printing	2,130	2,130	-	2,130
Postage	100	100	235	(135)
Office supplies	1,680	7,100	6,366	734
Bank charges	325	325	-	325
Rent	-	-	-	-
Repairs and maintenance				
Buildings	-	-	53	(53)
Equipment	-	1,200	1,101	99
Telephone	2,843	5,650	4,833	817
Internet	4,022	5,740	5,722	18
Property and equipment rental	262	1,000	1,000	-
Total Administrative	<u>262,667</u>	<u>270,298</u>	<u>253,736</u>	<u>16,562</u>
MAINTENANCE				
Utilities	1,200	3,185	2,554	631
General supplies	-	-	1,472	(1,472)
Total Maintenance	<u>1,200</u>	<u>3,185</u>	<u>4,026</u>	<u>(841)</u>
NON-DEPARTMENTAL				
Insurance premiums	15,762	17,762	18,809	(1,047)
Total Non-Departmental	<u>15,762</u>	<u>17,762</u>	<u>18,809</u>	<u>(1,047)</u>
DEBT SERVICE				
Principal	-	-	-	-
Interest	-	-	-	-
CAPITAL OUTLAY				
Property, plant and equipment	55,000	144,250	144,248	2
Levee construction projects	-	-	-	-
	<u>55,000</u>	<u>144,250</u>	<u>144,248</u>	<u>2</u>
TOTAL EXPENDITURES	<u>\$ 503,138</u>	<u>\$ 608,124</u>	<u>\$ 574,502</u>	<u>\$ 33,622</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes				
Property Taxes	\$ 4,700,000	\$ 4,650,000	\$ 4,732,136	\$ 82,136
Intergovernmental				
State Revenue Sharing	455,036	455,035	453,921	(1,114)
SELFPA-W Admin Fee	-	-	-	-
	<u>455,036</u>	<u>455,035</u>	<u>453,921</u>	<u>(1,114)</u>
Service charges, fees and commissions				
Oil & gas royalties	160,674	35,000	37,689	2,689
Permit fees	881	240	325	85
	<u>161,555</u>	<u>35,240</u>	<u>38,014</u>	<u>2,774</u>
Fines and forfeitures				
Interest				
Interest - cash accounts	-	-	-	-
Interest - investments	48,669	22,500	23,472	972
	<u>48,669</u>	<u>22,500</u>	<u>23,472</u>	<u>972</u>
Miscellaneous	1,800	1,800	32,729	30,929
TOTAL REVENUES	<u>\$ 5,367,060</u>	<u>\$ 5,164,575</u>	<u>\$ 5,280,272</u>	<u>\$ 115,697</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES				
CURRENT				
PUBLIC WORKS				
EXECUTIVE				
Commissioners				
Per diem	\$ -	\$ -	\$ -	\$ -
Life insurance	-	-	-	-
Travel	-	-	(2,823)	2,823
Convention/workshops	-	-	-	-
Salaries - president	-	-	-	-
Official journal	1,600	7,404	5,555	1,849
Dues and subscriptions	520	4,800	4,861	(61)
Miscellaneous	-	-	645	(645)
Professional services				
Legal	14,353	60,000	48,754	11,246
Accounting and auditing	8,250	8,250	7,590	660
Computer	86,559	105,000	109,439	(4,439)
Other	75,000	58,600	56,628	1,972
Total Executive	<u>186,282</u>	<u>244,054</u>	<u>230,649</u>	<u>13,405</u>
ADMINISTRATIVE				
Salaries	448,392	361,975	362,167	(192)
Health and life insurance	110,407	119,500	117,081	2,419
Retirement	67,622	68,600	69,955	(1,355)
Deferred compensation match	7,300	5,453	5,468	(15)
Payroll taxes	9,082	3,600	3,854	(254)
Worker's compensation	11,594	12,500	10,951	1,549
Unemployment insurance	-	-	-	-
Uniforms	-	-	-	-
Civil service fees	4,600	4,600	4,561	39
Employee physicals and testing	-	-	-	-
Travel	898	7,100	6,108	992
Convention/workshops	5,780	30,090	28,101	1,989
Printing	-	-	-	-
Postage	3,200	3,200	2,215	985
Office supplies	22,400	33,200	33,809	(609)
Janitorial supplies	-	-	-	-
Bank charges	15	15	-	15
Repairs and maintenance				
Buildings	35,000	51,949	45,710	6,239
Equipment	12,000	12,800	12,142	658
Telephone	23,960	19,900	18,727	1,173
Internet	16,220	54,120	53,934	186
Property and equipment rental	10,840	9,000	9,426	(426)
Gas and oil	155	155	-	155
Total Administrative	<u>789,465</u>	<u>797,757</u>	<u>784,209</u>	<u>13,548</u>
MAINTENANCE				
Salaries	1,103,500	1,310,000	1,319,530	(9,530)
Health and life insurance	308,562	318,800	321,573	(2,773)
Retirement	167,450	207,000	218,975	(11,975)
Deferred compensation match	19,610	34,000	33,808	192
Payroll taxes	17,443	13,800	10,112	3,688
Worker's compensation	54,500	70,100	65,046	5,054
Unemployment insurance	153	153	-	153
Uniforms	9,800	15,500	15,559	(59)
Civil service fees	9,500	-	-	-
Employee physicals and testing	6,000	6,000	5,558	442
Travel	1,560	425	355	70
Repairs and maintenance				
Buildings	10,000	25,000	17,787	7,213
Equipment	-	-	-	-
Insurance - vehicles	50,000	41,750	42,471	(721)
Utilities	50,880	29,420	28,552	868
Telephone	-	-	-	-

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Property and equipment rental	28,447	76,500	74,665	1,835
Parts and supplies	116,317	124,370	121,648	2,722
Outside repairs	107,597	125,000	130,115	(5,115)
Small tools and equipment	5,020	11,120	12,024	(904)
Gas and oil	110,000	112,832	115,650	(2,818)
Vehicle supplies	-	-	-	-
Tires	12,050	15,300	15,462	(162)
Levee supplies	24,175	36,400	33,794	2,606
General supplies	48,690	42,000	47,545	(5,545)
Total Maintenance	<u>2,261,254</u>	<u>2,615,470</u>	<u>2,630,229</u>	<u>(14,759)</u>
NON-DEPARTMENTAL				
Insurance premiums	186,014	179,606	179,439	167
Claims and judgments	-	2,065	1,204	861
Ad valorem tax withholdings and commissions				
Assessor	54,000	54,000	55,813	(1,813)
Sheriff	3,488	3,488	3,756	(268)
State retirement systems	153,000	153,000	153,000	-
Total Non-Departmental	<u>396,502</u>	<u>392,159</u>	<u>393,212</u>	<u>(1,053)</u>
DEBT SERVICE				
Principal	400,000	400,000	400,000	-
Interest	120,000	70,000	65,600	4,400
	<u>520,000</u>	<u>470,000</u>	<u>465,600</u>	<u>4,400</u>
CAPITAL OUTLAY				
Property, plant and equipment	611,494	450,000	470,806	(20,806)
Levee construction projects	-	-	-	-
	<u>611,494</u>	<u>450,000</u>	<u>470,806</u>	<u>(20,806)</u>
TOTAL EXPENDITURES	<u>\$ 4,764,997</u>	<u>\$ 4,969,440</u>	<u>\$ 4,974,705</u>	<u>\$ (5,265)</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**ALGIERS LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes				
Property Taxes	\$ 1,898,751	\$ 2,320,751	\$ 2,351,200	\$ 30,449
Intergovernmental				
State Revenue Sharing	82,990	82,990	55,755	(27,235)
	82,990	82,990	55,755	(27,235)
Service charges, fees and commissions				
Oil & gas royalties	-	-	-	-
Permit fees	-	-	50	50
	-	-	50	50
Interest				
Interest - cash accounts	61,522	6,200	7,182	982
	61,522	6,200	7,182	982
Miscellaneous	-	-	-	-
TOTAL REVENUES	\$ 2,043,263	\$ 2,409,941	\$ 2,414,187	\$ 4,246

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**ALGIERS LEVEE DISTRICT
OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2010**

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES				
CURRENT				
PUBLIC WORKS				
EXECUTIVE				
Official journal	\$ 272	\$ 2,600	\$ 2,272	\$ 328
Dues and subscriptions	-	2,000	1,841	159
Miscellaneous	60	60	-	60
Professional services				
Legal	100,000	40,500	37,642	2,858
Accounting and auditing	3,375	3,375	3,105	270
Computer	18,802	47,250	44,771	2,479
Other	4,000	19,600	19,086	514
Total Executive	<u>126,509</u>	<u>115,385</u>	<u>108,717</u>	<u>6,668</u>
ADMINISTRATIVE				
Printing	-	-	-	-
Postage	115	873	906	(33)
Office supplies	2,278	11,550	10,526	1,024
Bank charges	(15)	(15)	-	(15)
Repairs and maintenance				
Buildings	9,000	492	205	287
Equipment	1,270	5,500	4,743	757
Telephone	2,608	7,750	8,090	(340)
Internet	1,255	22,140	22,071	69
Property and equipment rental	1,008	3,700	3,856	(156)
Total Administrative	<u>17,519</u>	<u>51,990</u>	<u>50,861</u>	<u>1,129</u>
MAINTENANCE				
Salaries	-	-	-	-
Retirement	-	-	-	-
Payroll taxes	-	-	-	-
Repairs and maintenance				
Buildings	100	100	465	(365)
Equipment	-	-	-	-
Insurance - vehicles	-	-	-	-
Utilities	5,282	13,210	11,728	1,482
Property and equipment rental	-	42,000	39,028	2,972
Outside repairs and maintenance	-	-	-	-
Levee supplies	25,000	11,800	9,808	1,992
General supplies	200,000	15,000	9,990	5,010
Total Maintenance	<u>230,382</u>	<u>82,110</u>	<u>71,019</u>	<u>11,091</u>
NON-DEPARTMENTAL				
Insurance premiums	58,300	72,000	72,545	(545)
Total Non-Departmental	<u>58,300</u>	<u>72,000</u>	<u>72,545</u>	<u>(545)</u>
CAPITAL OUTLAY				
Property, plant and equipment	-	-	-	-
Levee construction projects	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 432,710</u>	<u>\$ 321,485</u>	<u>\$ 303,142</u>	<u>\$ 18,343</u>

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**SOUTHEAST LOUISIANA FLOOD PROTECTIN AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2010**

East of Harvey (Reach #500)	
Other attorneys	\$ -
Total East of Harvey	-
Hero to Cousins Pump Station E/S (Reach #520)	
Other attorneys	280
Other consultants	-
Total Hero to Belle Chasse W/S	280
Walker Road Borrow Pit (Reach #531)	
Other attorneys	-
Total Sector Gate Complex	-
Cousins Pump Station (Reach #535)	
Engineering	40,822
Total Cousins Pump Station	40,822
Cousins Pump Station/Culvert (Reach #550)	
Other attorneys	5,240
Total Cousins Pump Station/Culvert	5,240
Cousins Pump Station/Culvert #2 (Reach 555)	
Board Attorney	16,375
Other attorneys	25,486
Engineering	84,095
Construction costs	453,411
Levee supplies	635
Equipment rental	-
Total Cousins Pump Station/Culvert #2	580,002
Cousins Pump Station/Culvert #3 (Reach #560)	
Levee supplies	27,651
Total Cousins Pump Station/Culvert #3	27,651
GIWW Western Closure (Reach #565)	
Board Attorney	-
Other attorneys	14,637
Abstract and title fees	22,122
Total GIWW Western Closure	36,759
Hero Pump Station to Algiers Canal (Reach #570)	
Other attorneys	2,240
Abstract and title fees	1,625
Surveys/testing	7,786
Total Hero Pump Station to Algiers Canal	11,651

**SOUTHEAST LOUISIANA FLOOD PROTECTIN AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2010**

Hero Canal (Reach #580)	
Abstract and title fees	5,881
Surveys/testing	10,330
Total Hero Canal	<u>16,211</u>
Hero Canal to Oakville - Levees WBV-9a (Reach #581)	
Abstract and title fees	1,678
Total Hero Canal to Oakville - Levees WBV-9a	<u>1,678</u>
Belle Chasse Burrow Pit (Reach #590)	
Other attorneys	-
Total Belle Chasse Burrow Pit	<u>-</u>
GIWW Western Tie-in Closure (Reach # 595)	
Other consultants	-
Total GIWW Western Tie-in Closure	<u>-</u>
Cataouatche Levee (Reach #800)	
Board Attorney	6,650
Other attorneys	3,960
Abstract and title fees	2,250
Total Cataouatche Levee	<u>12,860</u>
Churhill Farms Borrow Pit (Reach #801)	
Other attorneys	15,262
Other consultants	14,207
Total Churhill Farms Borrow Pit	<u>29,469</u>
Westbank Borrow Site F (Reach # 802)	
Other attorneys	5,960
Appraisal fees	7,000
Total Westbank Borrow Site F	<u>12,960</u>
Lake Cataouatche PS Fronting Protection WBV-15b2 (Reach #803)	
Abstract and title fees	9,045
Total Lake Cataouatche PS Fronting Protection WBV-15b2	<u>9,045</u>
Bayou Segnette P/S to Company Canal (Reach #805)	
Other attorneys	1,520
Abstract and title fees	12,583
Total Bayou Segnette P/S to Company Canal	<u>14,103</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTIN AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2010**

Bayou Segnette Floodwall to Lake Cataouatche Pump Stn (Reach #815)	
Board Attorney	-
Other attorneys	21,084
Total Bayou Segnette Floodwall	<u>21,084</u>
Lake Cataouatche Pump Station to Hwy (Reach #820)	
Land	-
Total Lake Cataouatche Pump Station to Hwy	<u>-</u>
Western Tie In - East-West Levee - WBV-72	
Other attorneys	7,120
Abstract and title fees	863
Relocation	3,600
Total Western Tie In - East-West Levee -WBV-72	<u>11,583</u>
Western Tie In - Closure Structure WB-74 (Reach #826)	
Other attorneys	1,240
Abstract and title fees	12,795
Total Western Tie In - Closure Structure WB-74	<u>14,035</u>
Western Tie In = Sand Cell WBV-70 (Reach #828)	
Abstract and title fees	1,631
Total Western Tie In = Sand Cell WBV-70	<u>1,631</u>
Project Management (Reach #900)	
Board Attorney	-
Other attorneys	21,240
Other consultants	30,263
Bank charges	1,000
Total Project Management	<u>52,503</u>
Company Canal (Reach #901)	
Abstract and title fees	920
Total Company Canal	<u>920</u>
Old Westwego to New Westwego (Reach #905)	
Other attorneys	4,480
Abstract and title fees	9,717
Total Old Westwego to New Westwego	<u>14,197</u>
New Westwego to Orleans Village (Reach #910)	
Other attorneys	1,520
Abstract and title fees	7,735
Total New Westwego to Orleans Village	<u>9,255</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTIN AUTHORITY - WEST
STATE OF LOUISIANA**

**WEST JEFFERSON LEVEE DISTRICT
WESTBANK HURRICANE PROTECTION LEVEE CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2010**

Orleans Village to Highway 45 (Reach #915)	
Surveys/testing	1,657
Total Orleans Village to Highway 45	<u>1,657</u>
Highway 45 (Reach #920)	
Purchase of servitudes	-
Total Highway 45	<u>-</u>
V-Line West (Reach #925)	
Other attorneys	-
Purchase of servitudes	(587,918)
Total V-Line West	<u>(587,918)</u>
Highway 3134 Elevation (Reach #930)	
Abstract and title fees	900
Total Highway 3134 Elevation	<u>900</u>
Estelle Pump Station to Cousins (Reach #940)	
Other attorneys	1,200
Abstract and title fees	24,602
Total Estelle Pump Station to Cousins	<u>25,802</u>
TOTAL EXPENDITURES	<u>\$ 364,380</u>

SUPPLEMENTARY INFORMATION

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**SCHEDULE OF COMMISSIONERS' PER DIEMS
For The Year Ended June 30, 2010**

<u>NAME</u>	<u>NUMBER OF REGULAR MEETINGS</u>	<u>PER DIEM PAID</u>
Paul Dauphin	7	\$ 1,428
Pat Ketcham	24	4,462
Susan MacLay	12	12,000
Michael Merritt	24	5,276
Mark Morgan	33	6,166
Gerard Viera	41	7,654
Joannes Westerink	10	1,910
Wesley Wilkinson	27	4,986
	<u>178</u>	<u>\$ 43,882</u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**SCHEDULE OF STATE FUNDING
For The Year Ended June 30, 2010**

<u>DESCRIPTION OF FUNDING</u>	<u>AMOUNT</u>
General Revenues:	
State Revenue Sharing	
West Jefferson Levee District	\$ 453,921
Algiers Levee District	55,755
	<u>509,676</u>
State Appropriation - Dept of Natural Resources - SELFPA-W funding	<u>500,000</u>
Capital Grants:	
Coastal Protection and Restoration Fund - DOTD State Project No. 579-26-004 (Harvey Canal Interim Protection Phase I)	-
Coastal Protection and Restoration Fund - DOTD State Project No. 579-26-004 (Harvey Canal Interim Protection Phase II)	-
Coastal Protection and Restoration Fund - DOTD State Project No. 579-26-004 (Harvey Canal Interim Protection Phase III)	(10,176)
Coastal Protection and Restoration Fund	-
State Capital Outlay - DOTD State Project No. 750-99-0102 (WB Hurricane Protection Levee)	362,065
	<u>351,889</u>
TOTAL	<u><u>\$ 1,361,565</u></u>

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST
STATE OF LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2010**

FEDERAL AGENCY/ PROGRAM TITLE	CFDA NUMBER	GRANT/ PROJECT NUMBER	GRANT PERIOD	
			FROM	TO
INDIRECT ASSISTANCE				
DEPARTMENT OF HOMELAND SECURITY				
Passed through State Governor's Office of Homeland Security (GOHSEP)				
Emergency Disaster - Public Assistance Grants	97.036	FEMA 1786-DR-LA Gustav	N/A	N/A
Emergency Disaster - Public Assistance Grants	97.036	FEMA 1792-DR-LA Ike	N/A	N/A
TOTAL FEDERAL ASSISTANCE				

(1) These amounts are per the FEMA project worksheets filed.

NOTES TO SCHEDULE:

- A. This schedule is prepared on the full accrual (GAAP) basis of accounting.
- B. All revenues and expenditures recognized by the District during its fiscal year are reflected on this schedule.
- C. Note that the Authority was not subject to the Single Audit Act this fiscal year, thus there are no "Major Programs".

<u>TOTAL GRANT AWARD</u>	<u>ACCRUED (DEFERRED) REVENUE JUNE 30, 2009</u>	<u>CASH/ ASSISTANCE RECEIVED DURING YEAR</u>	<u>ACCRUED (DEFERRED) REVENUE JUNE 30, 2010</u>	<u>TOTAL REVENUE RECOGNIZED</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
\$ 390,173 (1)	\$ -	\$ -	\$ -	\$ -	\$ -
216,980 (1)	216,980	203,012	-	(13,968)	(13,968)
	<u>216,980</u>	<u>203,012</u>	<u>-</u>	<u>(13,968)</u>	<u>(13,968)</u>
	<u>\$ 216,980</u>	<u>\$ 203,012</u>	<u>\$ -</u>	<u>\$ (13,968)</u>	<u>\$ (13,968)</u>

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST

(Agency Name)
STATE OF LOUISIANA
Annual Financial Statements
June 30, 2010

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

MD&A

Balance Sheet	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
Statement of Activities (Additional information in Appendix B)	C
Statement of Cash Flows	D

Notes to the Financial Statements

A.	Summary of Significant Accounting Policies
B.	Budgetary Accounting
C.	Deposits with Financial Institutions and Investments (See Appendix C)
D.	Capital Assets – Including Capital Lease Assets
E.	Inventories
F.	Restricted Assets
G.	Leave
H.	Retirement System
I.	Other Postemployment Benefits (Additional information in Appendix D)
J.	Leases
K.	Long-Term Liabilities
L.	Contingent Liabilities
M.	Related Party Transactions
N.	Accounting Changes
O.	In-Kind Contributions
P.	Defeased Issues
Q.	Revenues or Receivables – Pledged or Sold (GASB 48) (See Appendix E)
R.	Government-Mandated Nonexchange Transactions (Grants)
S.	Violations of Finance-Related Legal or Contractual Provisions
T.	Short-Term Debt
U.	Disaggregation of Receivable Balances
V.	Disaggregation of Payable Balances
W.	Subsequent Events
X.	Segment Information
Y.	Due to/Due from and Transfers
Z.	Liabilities Payable from Restricted Assets
AA.	Prior-Year Restatement of Net Assets
BB.	Net Assets Restricted by Enabling Legislation (See Appendix F)

- CC. Impairment of Capital Assets (See Appendix G)
- DD. Employee Termination Benefits
- EE. Pollution Remediation Obligations
- FF. [REDACTED]

Schedules

- 1 Schedule of Per Diem Paid to Board Members
- 2 Not Applicable
- 3 Schedules of Long-Term Debt
- 4 Schedules of Long-Term Debt Amortization
- 5 Schedule of Current Year Revenue and Expenses – Budgetary Comparison of Current Appropriation – Non-GAAP Basis (applicable only for entities whose budget is appropriated by the legislature)
- 15 Schedule of Comparison Figures and Instructions
- 16 Schedule of Cooperative Endeavors (see Appendix H)

Appendix

- A General Instructions for Preparation of the Consolidated BTA AFR
- B Instructions for the Simplified Statement of Activities
- C Information for Note C – Deposits with Financial Institutions & Investments
- D Information for Note I – Other Postemployment Benefits
- E Information for Note Q – Revenues or Receivables – Pledged or Sold (GASB 48)
- F Information for Note BB – Net Assets Restricted by Enabling Legislation
- G Information for Note CC – Impairment of Capital Assets
- H Information for Schedule 16 – Cooperative Endeavors

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ended June 30, 2010

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST
7001 RIVER ROAD
MARRERO, LA 70072
(Agency Name & Mailing Address)

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

Legislative_Auditor_-_Fileroom.LLA@lla.state.la.us

Physical Address:
1201 N. Third Street
Claiborne Building, 6th Floor, Suite 6-130
Baton Rouge, Louisiana 70802

Physical Address:
1600 N. Third Street
Baton Rouge, Louisiana 70802

AFFIDAVIT

Personally came and appeared before the undersigned authority, SUSAN MACLAY) Name) PRESIDENT
(Title) of SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (THE “WEST
AUTHORITY”) (Agency) who duly sworn, deposes and says, that the financial statements herewith given present
fairly the financial position of THE WEST AUTHORITY (agency) at June 30, 2010 and the results of operations for
the year then ended in accordance with policies and practices established by the Division of Administration or in
accordance with Generally Accepted Accounting Principles as prescribed by the Governmental Accounting
Standards Board. Sworn and subscribed before me, this 31ST day of AUGUST, 2010.

Signature of Agency Official

NOTARY PUBLIC

Prepared by: PAUL C. RIVERA, CPA

Title: OWNER

Telephone No.: 504-371-4390

Date: AUGUST 31, 2010

Email Address: RIVERAPCPA@COX.NET

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2010**

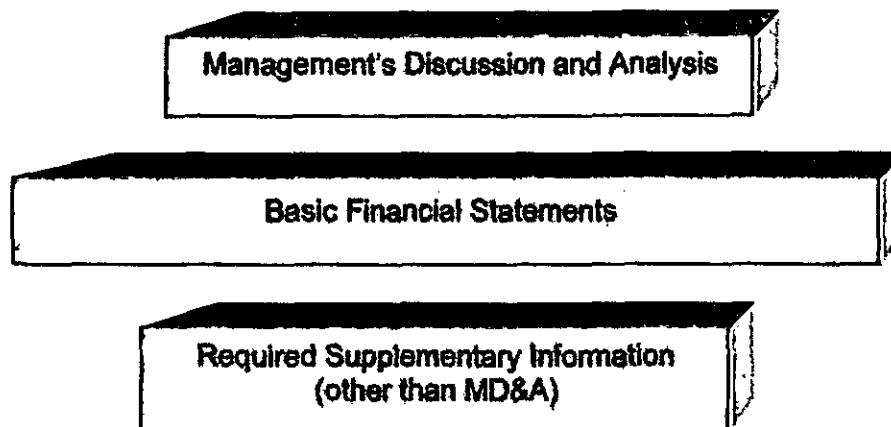
Management's Discussion and Analysis of the WEST AUTHORITY's (BTA) financial performance presents a narrative overview and analysis of THE WEST AUTHORITY's (BTA) financial activities for the year ended June 30, 2010. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages ____ - ____ and the _____'s (BTA) financial statements, which begin on page ____.

FINANCIAL HIGHLIGHTS

- ★ The WEST AUTHORITY's (BTA) assets exceeded its liabilities at the close of fiscal year 2010 by \$63,604, which represents a 3.5% increase from last fiscal year.
- ★ The WEST AUTHORITY's (BTA) revenue decreased \$86 (or 69.4%) and the net results from activities increased by \$2,137 (or 3.5%).

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the Basic Financial Statements (including the notes to the financial statements), and Required Supplementary Information.

Basic Financial Statements

The basic financial statements present information for the WEST AUTHORITY (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Balance Sheet; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Balance Sheet (pages ____ - ____) presents the current and long-term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the WEST AUTHORITY (BTA) is improving or deteriorating.

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
MANAGEMENT’S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2010**

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (pages __ - __) presents information showing how THE WEST AUTHORITY’s (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Statement of Cash Flows (pages __ - __) presents information showing how THE WEST AUTHORITY’s (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets as of June 30, 2010 (in thousands)		
	Total	
	2010	2009
Current and other assets	\$ 13,091	\$ 10,675
Capital assets	52,320	52,864
Total assets	65,411	63,539
Other liabilities	-	3
Long-term debt outstanding	1,807	2,069
Total liabilities	1,807	2,072
Net assets:		
Invested in capital assets, net of debt	51,119	51,264
Restricted	-	-
Unrestricted	12,485	10,203
Total net assets	\$ 63,604	\$ 61,467

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, or grant requirements. Conversely, unrestricted net assets are those that do not have any limitations on how these amounts may be spent.

Net assets of THE WEST AUTHORITY (BTA) increased by \$2,137, or 3.5%, from June 30, 2009 to June 30, 2010. The primary reason is due to the addition/deletion of _____. Other causes include _____.

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
MANAGEMENT’S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2010**

**Statement of Revenues, Expenses, and Changes in Fund Net Assets
for the years ended June 30, 2010
(in thousands)**

	<u>Total</u>	
	<u>2010</u>	<u>2009</u>
Operating revenues	\$ 38	\$ 124
Operating expenses	6,380	6,432
Operating income(loss)	<u>(6,342)</u>	<u>(6,308)</u>
Non-operating revenues	8,545	8,980
Non-operating expenses *	<u>(66)</u>	<u>(224)</u>
Income(loss) before transfers	<u>2,137</u>	<u>2,448</u>
Transfers in	-	-
Transfers out	<u>-</u>	<u>-</u>
Net increase(decrease) in net assets	\$ <u>2,137</u>	\$ <u>2,448</u>

* Enter expenses as a negative amount

The WEST AUTHORITY’s (BTA) total revenues decreased by \$ 86 (or 69.4%). The total cost of all programs and services decreased by \$52 or 0.8%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year ended June 30, 2010, theWEST AUTHORITY (BTA) had \$51,119 invested in a broad range of capital assets, including land, buildings, equipment, vehicles, and infrastructure (levees and levee improvements) (see accompanying Table). This amount represents a net decrease (including additions and deductions) of \$(145), or 0.3%, over last year.

This year’s major additions included (in thousands):

- \$146 furniture and equipment
- \$317 on machinery and heavy equipment
- \$952 was spent on infrastructure (levee improvements)
- Land decreased \$(588) as a deposit on the purchase of servitudes that was expensed in previous years was returned.

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
MANAGEMENT S DISCUSSION AND ANALYSIS
AS OF JUNE 30 2010**

	<u>2010</u>	<u>2009</u>
Land	\$ 5 788	\$ 6 376
Construction in Progress		
Buildings and Improvements	2 055	2 053
Equipment	940	756
Infrastructure	43 536	43 679
Total	<u>\$ 52 319</u>	<u>\$ 52 864</u>

Debt

The WEST AUTHORITY (BTA) had \$ 1 200 thousand in bonds and notes outstanding at year end compared to \$1 600 thousand last year a decrease of \$400 or 25 0 / as shown in the accompanying table

Outstanding Debt at Year end (in thousands)		
	<u>2010</u>	<u>2009</u>
General Obligation Bonds	\$	\$
Revenue Bonds and Notes	1 200	1 600
Totals	\$ 1 200	\$ 1 600

New debt resulted from _____ The _____ (BTA) s bond rating continues to carry the _____ rating for general obligation bonds and _____ rating for other debt

The WEST AUTHORITY (BTA) has claims and judgments of \$ 0 outstanding at year end compared with \$ 0 last year Other obligations include accrued vacation pay and sick leave of \$231 and OPEB of \$376

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately \$ ____ million over/under budget and expenditures were more than/less than budget due in part to _____

**STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
MANAGEMENT’S DISCUSSION AND ANALYSIS
AS OF JUNE 30, 2010**

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

The WEST AUTHORITY’s (BTA) elected and appointed officials considered the following factors and indicators when setting next year’s budget, rates, and fees:

- UNEMPLOYMENT OF 7.8 PERCENT
- STATE WILL CONTINUE TO FUND \$500 FOR GENERAL FUND EXPENDITURES
- MILLAGE RATES WILL STAY THE SAME

The _____ (BTA) expects that next year’s results will improve based on the following:

-
-
-

CONTACTING THE WEST AUTHORITY’S (BTA) MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the WEST AUTHORITY’s (BTA) finances and to show the THE WEST AUTHORITY’s (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact BOARD PRESIDENT – SELFPA-WEST AT 7001 RIVER ROAD, MARRERO, LA 70072 OR CALL 504-340-0318.

Statement A

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST(BTA)
BALANCE SHEET
AS OF JUNE 30, 2010

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$ 12,799
Restricted Cash and Cash Equivalents	
Investments	273
Derivative instrument	
Deferred outflow of resources	
Receivables (net of allowance for doubtful accounts)(Note U)	19
Due from other funds (Note Y)	
Due from federal government	
Inventories	
Prepayments	
Notes receivable	
Other current assets	
Total current assets	13,091

NONCURRENT ASSETS:

Restricted assets (Note F):	
Cash	
Investments	
Receivables	
Investments	
Notes receivable	
Capital assets, net of depreciation (Note D)	
Land and non-depreciable easements	5,788
Buildings and improvements	2,056
Machinery and equipment	940
Infrastructure	43,536
Intangible assets	
Construction/Development-in-progress	
Other noncurrent assets	
Total noncurrent assets	52,320
Total assets	\$ 65,411

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accruals (Note V)	\$
Derivative instrument	
Deferred inflow of resources	
Due to other funds (Note Y)	
Due to federal government	
Deferred revenues	
Amounts held in custody for others	
Other current liabilities	
Current portion of long-term liabilities: (Note K)	
Contracts payable	
Compensated absences payable	231
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Pollution remediation obligation	
Bonds payable (include unamortized costs)	400
Other long-term liabilities	
Total current liabilities	631

NONCURRENT LIABILITIES: (Note K)

Contracts payable	
Compensated absences payable	
Capital lease obligations	
Claims and litigation payable	
Notes payable	
Pollution remediation obligation	
Bonds payable (include unamortized costs)	800
OPEB payable	376
Other long-term liabilities	
Total noncurrent liabilities	1,176
Total liabilities	1,807

NET ASSETS

Invested in capital assets, net of related debt	51,119
Restricted for:	
Capital projects	659
Debt service	
Unemployment compensation	
Other specific purposes	
Unrestricted	11,826
Total net assets	63,604
Total liabilities and net assets	\$ 65,411

STATE OF LOUISIANA

Statement B

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

OPERATING REVENUE

Sales of commodities and services	\$ _____
Assessments	_____
Use of money and property	_____
Licenses, permits, and fees	_____ 38
Other	_____
Total operating revenues	_____ 38

OPERATING EXPENSES

Cost of sales and services	_____
Administrative	_____ 4,919
Depreciation	_____ 1,461
Amortization	_____
Total operating expenses	_____ 6,380
Operating income(loss)	_____ (6,342)

NON-OPERATING REVENUES (EXPENSES)

State appropriations	_____ 500
Intergovernmental revenues(expenses)	_____ 848
Taxes	_____ 7,083
Use of money and property	_____ 50
Gain on disposal of fixed assets	_____ 31
Loss on disposal of fixed assets	_____
Federal grants	_____
Interest expense	_____ (66)
Other revenue	_____ 33
Other expense	_____
Total non-operating revenues(expenses)	_____ 8,479
Income(loss) before contributions, extraordinary items, & transfers	_____ 2,137

Capital contributions

Extraordinary item - Loss on impairment of capital assets

Transfers in

Transfers out

Change in net assets	_____ 2,137
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Total net assets – beginning	_____ 61,467
------------------------------	--------------

Total net assets – ending	\$ _____ 63,604
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The accompanying notes are an integral part of this financial statement.

STATE OF LOUISIANA

Statement C

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2010

See Appendix B for instructions

	Program Revenues				Net (Expense)
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Assets
Entity	\$ <u>6,446</u>	\$ <u>-</u>	\$ <u>(14)</u>	\$ <u>352</u>	\$ <u>(6,108)</u>
General revenues:					
Taxes					<u>7,083</u>
State appropriations					<u>500</u>
State Revenue sharing					<u>510</u>
Commissions and royalties					<u>38</u>
Interest					<u>50</u>
Gain on sale of equipment					<u>31</u>
Miscellaneous					<u>33</u>
Special items					
Extraordinary item - Loss on impairment of capital assets					
Transfers					
Total general revenues, special items, and transfers					<u>8,245</u>
Change in net assets					<u>2,137</u>
Net assets - beginning as restated					<u>61,467</u>
Net assets - ending					\$ <u>63,604</u>

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
(continued)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2010

Statement D

Cash flows from operating activities		
Cash received from customers	\$ -	
Cash payments to suppliers for goods and services	(1,965)	
Cash payments to employees for services	(2,816)	
Payments in lieu of taxes		
Internal activity-payments to other funds		
Federal Reimbursements - FEMA	204	
Other operating revenues(expenses)	71	
Net cash provided(used) by operating activities		(4,506)
Cash flows from non-capital financing activities		
State appropriations	500	
State Revenue sharing	510	
Federal disbursements		
Proceeds from sale of bonds		
Principal paid on bonds		
Interest paid on bond maturities		
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Operating grants received		
Transfers in		
Transfers out		
Property Taxes	7,083	
Net cash provided(used) by non-capital financing activities		8,093
Cash flows from capital and related financing activities		
Proceeds from sale of bonds		
Principal paid on bonds	(400)	
Interest paid on bond maturities	(66)	
Proceeds from issuance of notes payable		
Principal paid on notes payable		
Interest paid on notes payable		
Acquisition/construction of capital assets	(888)	
Proceeds from sale of capital assets		
State Grants - Coastal restoration - DNR	943	
Other		
Net cash provided(used) by capital and related financing activities		(411)
Cash flows from investing activities		
Purchases of investment securities		
Proceeds from sale of investment securities		
Interest and dividends earned on investment securities	49	
Net cash provided(used) by investing activities		49
Net increase(decrease) in cash and cash equivalents		3,225
Cash and cash equivalents at beginning of year		9,574
Cash and cash equivalents at end of year	\$	12,799

STATE OF LOUISIANA

Statement D

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)

(concluded)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2010

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		\$ <u>(6,342)</u>
Adjustments to reconcile operating income(loss) to net cash provided(used) by operating activities:		
Depreciation/amortization	<u>1,461</u>	
Provision for uncollectible accounts	<u></u>	
Other	<u></u>	
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable, net	<u>237</u>	
(Increase)decrease in due from other funds	<u></u>	
(Increase)decrease in prepayments	<u></u>	
(Increase)decrease in inventories	<u></u>	
(Increase)decrease in other assets	<u></u>	
Increase(decrease) in accounts payable and accruals	<u>(1)</u>	
Increase(decrease) in compensated absences payable	<u>10</u>	
Increase(decrease) in due to other funds	<u></u>	
Increase(decrease) in deferred revenues	<u></u>	
Increase(decrease) in OPEB payable	<u>129</u>	
Increase(decrease) in other liabilities	<u></u>	
Net cash provided(used) by operating activities		\$ <u>(4,506)</u>

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease(s)	\$ <u></u>
Contributions of fixed assets	<u></u>
Purchases of equipment on account	<u></u>
Asset trade-ins	<u></u>
Other (specify)	<u></u>
	<u></u>
	<u></u>
	<u></u>
Total noncash investing, capital, and financing activities:	\$ <u>-</u>

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

INTRODUCTION

The WEST AUTHORITY(BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute ACT 1 OF FIRST EXTRAORDINARY SESSION OF 2006, ACT 820 OF 1980 LEGISLATIVE SESSION, AND ACT 475 OF 2007 LEGISLATIVE SESSION. The following is a brief description of the operations of THE WEST AUTHORITY(BTA) and includes the parish/parishes in which the (BTA) is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of THE WEST AUTHORITY (BTA) present information only as to the transactions of the programs of the THE WEST AUTHORITY (BTA) as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the WEST AUTHORITY (BTA) are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration – Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the WEST AUTHORITY (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Committee on the Budget, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements includes the original appropriation plus subsequent amendments as follows:

	WEST AUTHORITY GENERAL FUND APPROPRIATIONS	WJLD O&M FUND APPROPRIATIONS	ALD O&M FUND APPROPRIATIONS
Original approved budget	\$ 503	4,765	433
Amendments:	105	204	(111)
Final approved budget	\$ 608	4,969	322

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.) See Appendix C for information related to Note C.

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the WEST AUTHORITY (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit in any bank domiciled or having a branch office in the state of Louisiana; in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows and balance sheet presentation, all highly liquid investments (including negotiable CDs and restricted cash and cash equivalents) and deposits (including nonnegotiable CDs and restricted cash and cash equivalents) with a maturity of three months or less when purchased are considered to be cash equivalents.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are required to be held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer.

GASB Statement 40, which amended GASB Statement 3, eliminated the requirement to disclose all deposits by three categories of risk. GASB Statement 40 requires only the disclosure of deposits that are considered to be exposed to custodial credit risk. An entity's deposits are exposed to custodial credit risk if the deposit balances are either 1) uninsured and uncollateralized, 2) uninsured and collateralized with securities held by the pledging financial institution, or 3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the entity's name.

The deposits at JUNE 30, 2010, consisted of the following:

	Cash	Nonnegotiable Certificates of Deposit	Other (Describe)	Total
Deposits per Balance Sheet (Reconciled bank balance)	\$ 12,799	\$ -	- \$	\$ 12,799
Deposits in bank accounts per bank	\$ 12,848	\$ -	- \$	\$ 12,848
Bank balances exposed to custodial credit risk:	\$	\$	\$	\$
a. Uninsured and uncollateralized				
b. Uninsured and collateralized with securities held by the pledging institution				
c. Uninsured and collateralized with securities held by the pledging institution's trust department or agent, but not in the entity's				

NOTE: The "Deposits in bank accounts per bank" will not necessarily equal the "Deposits per Balance Sheet" due to outstanding items.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

The following is a breakdown by banking institution, program, and amount of the “Deposits in bank accounts per bank” balances shown above:

<u>Banking Institution</u>	<u>Program</u>	<u>Amount</u>
1. CAPITAL ONE BANK	VARIOUS	\$ 12,848
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____
Total		\$ 12,848

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included on the balance sheet.

Cash in State Treasury \$ _____
Petty cash \$ _____

2. INVESTMENTS

The WEST AUTHORITY (BTA) does maintain investment accounts as authorized by STATE STATUTES LRS 33:2955 (Note legal provisions authorizing investments by (BTA)).

Custodial Credit Risk

Investments can be exposed to custodial credit risk if the securities underlying the investment are uninsured, not registered in the name of the entity, and are either held by the counterparty or the counterparty’s trust department or agent, but not in the entity’s name. Repurchase agreements are not subject to credit risk if the securities underlying the repurchase agreement are exempt from credit risk disclosure. Using the following table, list each type of investment disclosing the total carrying amounts and market values, and any amounts exposed to custodial credit risk.

GASB Statement 40 amended GASB Statement 3 to eliminate the requirement to disclose all investments by three categories of risk. GASB Statement 40 requires only the separate disclosure of investments that are considered to be exposed to custodial credit risk. Those investments exposed to custodial credit risk are reported by type in one of two separate columns depending upon whether they are held by a counterparty, or held by a counterparty’s trust department or agent not in the entity’s name. In addition, the total

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

reported amount and fair value columns still must be reported for total investments regardless of exposure to custodial credit risk.

<u>Type of Investment</u>	<u>Investments Exposed to Custodial Credit Risk</u>		<u>All Investments Regardless of Custodial Credit Risk Exposure</u>	
	<u>Uninsured, *Unregistered, and Held by Counterparty</u>	<u>Uninsured, *Unregistered, and Held by Counterparty's Trust Dept. or Agent Not in Entity's Name</u>	<u>Reported Amount Per Balance Sheet</u>	<u>Fair Value</u>
Negotiable CDs	\$ _____	\$ _____	\$ _____	\$ _____
Repurchase agreements	_____	_____	_____	_____
U.S. Government Obligations **	_____	_____	_____	_____
U.S. Agency Obligations	_____	_____	_____	_____
Common & preferred stock	_____	_____	_____	_____
Mortgages (including CMOs & MBSs)	_____	_____	_____	_____
Corporate bonds	_____	_____	_____	_____
Mutual funds	_____	_____	_____	_____
Real estate	_____	_____	_____	_____
External Investment Pool (LAMP) ***	_____	_____	273	273
External Investment Pool (Other)	_____	_____	_____	_____
Other: (identify)	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
	_____	_____	_____	_____
Total investments	\$ _____ - \$ _____	\$ _____ - \$ _____	\$ 273	\$ 273

* Unregistered - not registered in the name of the government or entity

** These obligations generally are not exposed to custodial credit risk because they are backed by the full faith and credit of the U.S. government. (See Appendix C for the definition of U.S. Government Obligations)

*** LAMP investments should not be included in deposits AND should be identified separately in this table to ensure LAMP investments are not double-counted on the State level.

3. CREDIT RISK, INTEREST RATE RISK, CONCENTRATION OF CREDIT RISK, AND FOREIGN CURRENCY RISK DISCLOSURES

A. Credit Risk of Debt Investments

Disclose the credit risk of debt investments by credit quality ratings as described by rating agencies as of the fiscal year end, including the rating agency used (Moody's, S&P, etc.).

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

All debt investments regardless of type can be aggregated by credit quality rating (if any are un-rated, disclose that amount).

Rating Agency	Rating	Fair Value
		\$
	Total	\$ -

B. Interest Rate Risk of Debt Investments

1. Disclose the interest rate risk of debt investments by listing the investment type, total fair value, and breakdown of maturity in years for each debt investment type. (Note – This is the prescribed method, segmented time distribution, for the CAFR. Also, total debt investments reported in this table should equal total debt investments reported in Section A – Credit Risk of Debt Investments.)

Type of Debt Investment	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1 - 5	6 - 10	Greater Than 10
U.S. Government obligations	\$	\$	\$	\$	\$
U.S. Agency obligations					
Mortgage backed securities					
Collateralized mortgage obligations					
Corporate bonds					
Other bonds (describe)					
Mutual bond funds					
Other					
Total debt investments	\$ -	\$ -	\$ -	\$ -	\$ -

2. List the fair value and terms of any debt investments that are highly sensitive to changes in interest rates due to the terms (e.g. coupon multipliers, reset dates, etc.) of the investment. See Appendix C for examples of debt investments that are highly sensitive to changes in interest rates.

Debt Investment	Fair Value	Terms
	\$	
Total	\$ -	

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

C. Concentration of Credit Risk

List, by amount and issuer, investments in any one issuer that represents 5% or more of total external investments (not including U.S. government securities, mutual funds, and investment pools).

Issuer	Amount	% of Total Investments
LAMP	\$ 273	100
Total	\$ 273	

D. Foreign Currency Risk

Disclose the U.S. dollar balances of any deposits or investments that are exposed to foreign currency risk (deposits or investments denominated in foreign currencies); list by currency denomination and investment type, if applicable.

Foreign Currency	Fair Value in U.S. Dollars	
	Bonds	Stocks
	\$	\$
Total	\$ -	\$ -

4. DERIVATIVES (GASB 53)

A. Summary of Derivative Instruments

Complete the following table, "Summary of Derivative Instruments" for all derivative instruments held by the entity at June 30, 20___. If no derivative instruments were held by the entity at June 30, please state "None".

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

Summary of Derivative Instruments

Type	Notional	Changes in Fair Value		Fair Value at June 30	
		Classification	Amount	Classification	Amount *
<u>Investment Derivative Instruments:</u>			\$		\$
<u>Fair Value Hedges:</u>			\$		\$
<u>Cash Flow Hedges:</u>			\$		\$

*If fair value is based on other than quoted market prices, the methods and significant assumptions used to estimate those fair market values should be disclosed.

B. Investment Derivative Instruments

Investment derivative instruments include derivative instruments that are not effective or are no longer effective and cannot be classified as hedging derivative instruments. Separately list each investment derivative instrument included in the table above and discuss the exposure to risk from these investments for the following risks:

1. Credit Risk of Investment Derivative Instruments

2. Interest Rate Risk of Investment Derivative Instruments

Investment Derivative Instrument	Notional Amount	Fair Value	Investment Maturities (in years)			
			Less than 1	1 - 5	6 - 10	More than 10

Disclose the reference rate for each investment derivative instrument along with any embedded options

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

3. Foreign Currency Risk of Investment Derivative Instruments

<u>Foreign Currency</u>	<u>Fair Value in U.S. Dollars</u>	
	<u>Bonds</u>	<u>Stocks</u>
	\$	\$
Total	\$	\$

4. Reclassification from Hedging Derivative Instrument to Investment Derivative Instrument

<u>Item Reclassified</u>	<u>Notional Amount</u>	<u>Ineffective @</u>	<u>Fair Value @</u>	<u>Ineffective @</u>	<u>Fair Value @</u>	<u>Change in Fair</u>
		<u>6/30/10</u>		<u>6/30/09</u>		<u>Value @</u>
		<u>(Y/N)</u>	<u>6/30/10</u>	<u>(Y/N)</u>	<u>6/30/09</u>	<u>6/30/10</u>
						-
						-
						-
						-

C. Hedging Derivative Instruments

Complete the following table- Terms and Objectives of Hedging Derivative Instruments - for all hedging derivative instruments held by the entity at June 30, 20__.

<u>Terms and Objectives of Hedging Derivative Instruments</u>						
<u>Type</u>	<u>Notional</u>	<u>Objective</u>	<u>Effective Date</u>	<u>Maturity Date</u>	<u>Terms *</u>	<u>Counterparty Credit Rating</u>

***Terms include reference rates, embedded options, and the amount of cash paid or received, if any, when a forward contract or swap (including swaptions) was entered into.**

Interest rates and the various swap indices change over time. Use the schedule below to summarize payments on the swap and interest payments to bondholders for applicable hedging derivative instruments.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

Hedging Derivative Instrument	Counterparty Swap Payment			Interest Payments to Bondholders	Total Payments
	To	From	Net		

List each hedging derivative separately, and discuss the exposure to risk from these hedges for the following risks:

1. Credit Risk of Hedging Derivative Instruments

2. Interest Rate Risk of Hedging Derivative Instruments

Hedging Derivative Instrument	Notional Amount	Fair Value	Investment Maturities (in years)			
			Less than 1	1 - 5	6 - 10	More than 10

3. Basis Risk of Hedging Derivative Instruments

4. Termination Risk of Hedging Derivative Instruments

5. Rollover Risk of Hedging Derivative Instruments

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

6. Market-Access Risk of Hedging Derivative Instruments

7. Foreign Currency Risk of Hedging Derivative Instruments

Foreign Currency	Fair Value in U.S. Dollars	
	Bonds	Stocks
	\$	\$
Total	\$ -	\$ -

If any hedged items are a debt obligation, then its net cash flows are required to be disclosed in accordance with GASB Statement No. 38, paragraphs 10 – 11. This information, if applicable, should be provided below, and will be included in Note 8 of the CAFR.

Using the following chart, provide the principal and interest requirements to maturity for those hedged items that are a debt obligation. If your fiscal year ends other than June 30, change the date within the table. If the number of years for your debt to terminate exceeds the years listed, add those years to the table (in 5 year increments).

Debt and Lease Obligations for Hedged Debt (per GASB 38, paragraph 10)

Fiscal Year Ending June 30	Principal	Interest	Hedging Derivative Instruments, Net	Total
2011	\$	\$	\$	\$ -
2012				-
2013				-
2014				-
2015				-
2016-2020				-
2021-2025				-
2026-2030				-
2031-2035				-
2036-2040				-
Total	-	-	-	-

Note: The hedging derivative column reflects only net receipts/payments on derivative instruments that qualify for hedge accounting.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

List any terms by which the interest rates change for variable-rate debt.

Using the following chart, provide the future minimum lease payments for those hedged items that are obligations under capital and noncancelable operating leases (per GASB 38, paragraph 11). If your fiscal year ends other than June 30, change the date within the table. If the number of years for your lease extends beyond the years listed, add those years to the table (in 5 year increments).

Fiscal Year Ending June 30	Minimum Future Lease Payment
2011	\$
2012	
2013	
2014	
2015	
2016-2020	
2021-2025	
2026-2030	
2031-2035	
2036-2040	
Total	-

If effectiveness is determined by another quantitative method not identified in GASB Statement No. 53, provide the identity and characteristics of the method used, the range of critical terms the method tolerates, and the actual critical terms of the hedge.

D. Contingent Features

Disclose any contingent features that are included in derivative instruments held at the end of the reporting period. The required disclosures include (1) the existence and nature of contingent features and the circumstances in which the features could be triggered, (2) the aggregate fair value of derivative instruments that contain those features, (3) the aggregate fair value of assets that would be required to be posted as collateral or transferred in accordance with the provisions related to the triggering of the contingent liabilities, and (4) the amount, if any, that has been posted as collateral by the government as of the end of the reporting period.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

E. Hybrid Instruments

If your entity has any hybrid instruments, disclosure of the companion instrument should be consistent with disclosures required of similar transactions. List any hybrid instruments below and provide information regarding any hybrid instruments and a reference to where the required disclosures can be found. If the required disclosures are not presented elsewhere, provide those disclosures below. If your entity does not have any hybrid instruments, state "None".

F. Synthetic Guaranteed Investment Contracts (SGICs)

If your entity has a fully benefit-responsive SGIC, then a description of the nature of the SGIC and the SGIC's fair value (including separate disclosure of the fair value of the wrap contract and the fair value of the corresponding underlying investments) should be disclosed as of the end of the reporting period. Provide those required disclosures below. If your entity does not have any, state "None".

5. POLICIES

Briefly describe the deposit and/or investment policies related to the custodial credit risk, credit risk of debt investments, concentration of credit risk, interest rate risk, and foreign currency risk disclosed in this note. If no policy exists concerning the risks disclosed, please state that fact.

CAN ONLY INVEST IN US TREASURIES OR DISCOUNT NOTES WITH MATURITIES OF LESS THAN 2 YEARS.

6. OTHER DISCLOSURES REQUIRED FOR INVESTMENTS

a. Investments in pools managed by other governments or mutual funds
LAMP _____

b. Securities underlying reverse repurchase agreements _____

c. Unrealized investment losses _____

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

d. Commitments as of _____ (fiscal close), to resell securities under yield maintenance repurchase agreements:

1. Carrying amount and market value at June 30 of securities to be resold

2. Description of the terms of the agreement

e. Losses during the year due to default by counterparties to deposit or investment transactions _____

f. Amounts recovered from prior-period losses which are not shown separately on the balance sheet _____

Legal or Contractual Provisions for Reverse Repurchase Agreements

g. Source of legal or contractual authorization for use of reverse repurchase agreements

h. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year _____

Reverse Repurchase Agreements as of Year-End

i. Credit risk related to the reverse repurchase agreements (other than yield maintenance agreements) outstanding at year end, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest

j. Commitments on _____ (fiscal close) to repurchase securities under yield maintenance agreements _____

k. Market value on _____ (fiscal close) of the securities to be repurchased

l. Description of the terms of the agreements to repurchase _____

STATE OF LOUISIANA
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- m. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____
- n. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures (GASB 31)

- o. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices _____
- p. Basis for determining which investments, if any, are reported at amortized cost _____
- q. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool _____
- r. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____
- s. Any involuntary participation in an external investment pool _____
- t. If you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining fair value and the reasons for having had to make such an estimate _____
- u. Any income from investments associated with one fund that is assigned to another fund _____

Land and Other Real Estate Held as Investments by Endowments (GASB 52)

- v. _____ (agency/entity) owns land or other real estate held as investments by endowments. (yes/no) Land or real estate held as investments by endowments is reported at fair value in the entity's financial statements and any applicable fair value note disclosures are reported in the preceding fair value disclosure section.

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D. CAPITAL ASSETS – INCLUDING CAPITAL LEASE ASSETS

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the balance sheet of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity is charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight line method over the useful lives of the assets.

	Year ended June 30, 2010						
	Prior Period Adjustments			Adjusted Balance 6/30/2009	Additions	Transfers*	Retirements
	Balance 6/30/2009	Adj. after submitted to OSRAP (+or-)	Restatements (+or-)				
Capital assets not being depreciated							
Land	\$ 6,376	\$ -	\$ -	\$ 6,376	\$ -	\$ -	\$ (588)
Non-depreciable land improvements	-	-	-	-	-	-	-
Non-depreciable easements	-	-	-	-	-	-	-
Capitalized collections	-	-	-	-	-	-	-
Software Development in Progress	-	-	-	-	-	-	-
Construction in progress (CIP)	-	-	-	-	-	-	-
Total capital assets not being depreciated	6,376	-	-	6,376	-	-	(588)
Other capital assets							
Machinery and equipment	1,988	-	-	1,988	463	-	(246)
Less accumulated depreciation	(1,232)	-	-	(1,232)	(214)	-	181
Total Machinery and equipment	756	-	-	756	249	-	(65)
Buildings and improvements	3,742	-	-	3,742	154	-	-
Less accumulated depreciation	(1,689)	-	-	(1,689)	(151)	-	-
Total buildings and improvements	2,053	-	-	2,053	3	-	-
Depreciable land improvements	-	-	-	-	-	-	-
Less accumulated depreciation	-	-	-	-	-	-	-
Total land improvements	-	-	-	-	-	-	-
Infrastructure	50,550	-	-	50,550	952	-	-
Less accumulated depreciation	(6,871)	-	-	(6,871)	(1,095)	-	-
Total infrastructure	43,679	-	-	43,679	(143)	-	-
Software (internally generated and purchased)	-	-	-	-	-	-	-
Other Intangibles	-	-	-	-	-	-	-
Less accumulated amortization - software	-	-	-	-	-	-	-
Less accumulated amortization - other intangibles	-	-	-	-	-	-	-
Total intangibles	-	-	-	-	-	-	-
Total other capital assets	46,488	-	-	46,488	109	-	(65)
Capital assets not being depreciated	6,376	-	-	6,376	-	-	(588)
Other capital assets, at cost	56,280	-	-	56,280	1,569	-	(246)
Total cost of capital assets	62,656	-	-	62,656	1,569	-	(834)
Less accumulated depreciation and amortization	(9,792)	-	-	(9,792)	(1,460)	-	181
Capital assets, net	\$ 52,864	\$ -	\$ -	\$ 52,864	\$ 109	\$ -	\$ (653)

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets.

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If other intangible assets were reported in the table above, list the types of intangible assets, their cost, and accumulated amortization for each type of intangible asset reported. _____

E. INVENTORIES

The BTA's inventories are valued using _____ (method of valuation – FIFO, LIFO, weighted average, moving average, specific identification, etc). These are perpetual inventories and are expensed when used.

F. RESTRICTED ASSETS

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current assets section on Statement A, consist of \$ _____ in cash with fiscal agent, \$ _____ in receivables, and \$ _____ investment in _____ (identify the type of investments held.) State the purpose of the restrictions:

G. LEAVE

1. COMPENSATED ABSENCES

The WEST AUTHORITY (BTA) has the following policy on annual and sick leave: (Describe leave policy.)

An example disclosure follows:

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in long-term obligations.

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2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at _____ (fiscal year end) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$ _____. The leave payable is recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the Louisiana State Employees Retirement System (LASERS), a single employer defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees. (Note: If LASERS is not your entity's retirement system, indicate the retirement system that is and replace any wording in this note that doesn't apply to your retirement system with the applicable wording.)

All full-time (BTA) employees are eligible to participate in the System unless they elect to continue as a contributing member in any other retirement system for which they remain eligible for membership. Certain elected officials and officials appointed by the governor may, at their option, become members of LASERS. Normal benefits vest with 10 years of service. Generally, retirement age employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service except for members eligible to begin participation in the Defined Benefit Plan (DBP) on or after July 1, 2006. Act 75 of the 2005 Regular Session changes retirement eligibility and final average compensation for members who are eligible to begin participation in the DBP beginning July 1, 2006. Retirement eligibility for these members is limited to age 60, or thereafter, upon attainment of ten years of creditable service. Final average compensation will be based on the member's average annual earned compensation for the highest 60 consecutive months of employment.

Vested employees eligible to begin participation in the DBP before July 1, 2006, are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, these vested employees have the option of reduced benefits at any age with 20 years of service. Those hired on or after July 1, 2006 have only a single age option. They cannot retire until age 60 with a minimum of 10 years of service. The System also provides death and disability benefits and deferred benefit options, with qualifications and amounts defined by statute.

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Benefits are established or amended by state statute. The System issues a publicly available annual financial report that includes financial statements and required supplementary information for the System. For a full description of the LASERS defined benefit plan, please refer to the LASERS 2008 Financial Statements, specifically, footnotes A – Plan Description and C – Contributions. That report may be obtained by writing to the Louisiana State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000. The footnotes to the Financial Statements contain additional details and are also available on-line at:

http://www.lasers.state.la.us/PDFs/Publications_and_Reports/Fiscal_Documents/Comprehensive_Financial_Reports/Comprehensive%20Financial%20Reports_08.pdf

Members are required by state statute to contribute with the single largest group (“regular members”) contributing 7.5% of gross salary, and the (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2010, decreased / increased to 18.6% of annual covered payroll from the 18.5% and ____% required in fiscal years ended June 30, 2009 and 2008 respectively. The (BTA) contributions to the System for the years ending June 30, 2010, 2009, and 2008, were \$312, \$254, and \$224, respectively, equal to the required contributions for each year.

I. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

GASB Statement No. 43, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans addresses accounting and financial reporting for OPEB trust and agency funds of the employer. *GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information (RSI) in the financial reports of governmental employers. **See the GASB Statement No. 45 note disclosures requirements in section 2 of this note.**

1. Calculation of Net OPEB Obligation

Complete the following table for only the net OPEB obligation (NOO) related to OPEB administered by the Office of Group Benefits. **The ARC, NOO at the beginning of the year, interest, ARC adjustment, and Annual OPEB Expense have been computed for OGB participants (see OSRAP’s website - <http://www.doa.louisiana.gov/OSRAP/afrpackets.htm>) and select “GASB 45 OPEB Valuation Report as of July 1, 2009, to be used for fiscal year ending June 30, 2010.” Report note disclosures for other plans, not administrated by OGB, separately.**

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Annual OPEB expense and net OPEB Obligation	
Fiscal year ending	6/30/2010
1. * ARC	<u>\$ 218</u>
2. * Interest on NOO (4%)	<u>9</u>
3. * ARC adjustment	<u>(14)</u>
4. * Annual OPEB Expense (1. + 2. - 3.)	<u>213</u>
5. Contributions (employer pmts. to OGB for retirees' cost of 2010 insurance premiums)	<u>(85)</u>
6. Increase in Net OPEB Obligation (4. - 5.)	<u>128</u>
7. *NOO, beginning of year (see actuarial valuation report on OSRAP's website)	<u>248</u>
8. **NOO, end of year (6. + 7.)	<u>\$ 376</u>

*This must be obtained from the OSRAP website on the spreadsheet "GASB 45 OPEB Valuation Report as of July 1, 2009, to be used for fiscal year ending June 30, 2010."

**This should be the same amount as that shown on the Balance Sheet for the year ended June 30, 2010 if your entity's only OPEB is administered by OGB.

For more information on calculating the annual OPEB expense and the net OPEB obligation, see Appendix D in the back of this packet.

2. Note Disclosures

If your only OPEB provider is OGB, your entity will have no OPEB note disclosures for OSRAP other than the OPEB calculation above; however, GASB 45 note disclosures are required for separately issued GAAP financial statements. Please provide OSRAP with the applicable GASB 43 and 45 note disclosures if your entity's OPEB group insurance plan is administered by an entity other than OGB. Following is a summary of the requirements of GASB Statement 45.

I. Plan Description

- Name of Plan
- Identify entity that administers the plan
- Type of plan
- Brief description of the types of benefits
- Authority under which benefit provisions are established or may be amended
- Whether the OPEB plan issues a stand-alone financial report or is included in the report of a PERS or another entity, and, if so how to obtain the report.

II. Funding Policy

- Authority under which the obligations of the plan members, employers, and other contributing entities (e.g., state contributions to local government plans) to contribute to the plan are established or may be amended.

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- b) Required contribution rates of plan members (amount per member or percentage of covered payroll).
- c) Required contribution rates of the employer in accordance with the funding policy (in dollars or as percentage of current-year covered payroll) and, if applicable, legal or contractual maximum contribution rates: If the plan is a single-employer or agent plan and the rate differs significantly from the ARC, disclose how the rate is determined (e.g., by statute or contract) or that the plan is financed on a pay-as-you-go basis. If the plan is a cost-sharing plan, disclose the required contributions in dollars and the percentage of that amount contributed for the current year and each of the two preceding years, and how the required contribution rate is determined (e.g., by statute or by contract, or on an actuarially determined basis) or that the plan is financed on a pay-as-you-go basis.

III. Additional disclosures for sole and agent employers for each plan:

- a) For current year (CY), annual OPEB cost and the dollar amount of contributions made. If the employer has a net OPEB obligation, also disclose the components of annual OPEB cost (ARC, interest on the net OPEB obligation, and the adjustment to the ARC), the increase or decrease in the net OPEB obligation, and the net OPEB obligation at the end of the year.
- b) For the current year and each of the two preceding years, disclose annual OPEB cost, percentage of annual OPEB cost contributed that year, and net OPEB obligation at the end of the year. (For the first two years, the required information should be presented for the transition year, and for the current and transition years, respectively.)
- c) Information about the funded status of the plan as of the most recent valuation date, including the actuarial valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll, and the ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll. The information should be calculated in accordance with the parameters. However, employers that meet the criteria in GASB Statement 45, paragraph 11 may elect to use the alternative measurement method discussed in GASB Statement 45, paragraphs 33 through 35. Employers that use the aggregate actuarial cost method should prepare this information using the entry age actuarial cost method for that purpose only.
- d) Information about the actuarial methods and assumptions used in valuations on which reported information about the ARC, annual OPEB cost, and the funded status and funding progress of OPEB plans is based, including the following:
 - 1) Disclosure that actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.
 - 2) Disclosure that the required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether

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the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

- 3) Disclosure that calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, if applicable, the employer should disclose that the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations (as discussed in the disclosure of funding policy in paragraph II(c) above) on the pattern of cost sharing between the employer and plan members in the future.
- 4) Disclosure that actuarial calculations reflect a long-term perspective. In addition, if applicable, disclosure that, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.
- 5) Identification of the actuarial methods and significant assumptions used to determine the ARC for the current year and the information required by paragraph III(c) above. The disclosures should include:
 - (a) The actuarial cost method.
 - (b) The method(s) used to determine the actuarial value of assets.
 - (c) The assumptions with respect to the inflation rate, investment return (including the method used to determine a blended rate for a partially funded plan, if applicable), postretirement benefit increases if applicable, projected salary increases if relevant to determination of the level of benefits, and, for postemployment healthcare plans, the healthcare cost trend rate. If the economic assumptions contemplate different rates for successive years (year-based or select and ultimate rates), the rates that should be disclosed are the initial and ultimate rates.
 - (d) The amortization method (level dollar or level percentage of projected payroll) and the amortization period (equivalent single amortization period, for plans that use multiple periods) for the most recent actuarial valuation and whether the period is closed or open. Employers that use the aggregate actuarial cost method should disclose that because the method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and that the information presented is intended to approximate the funding progress of the plan.

IV. Required Supplementary Information:

Sole and agent employers should present the following information for the most recent actuarial valuation and the two preceding valuations:

- a. Information about the funding progress of the plan, including, for each valuation, each of the elements of information listed in paragraph III(c) above.
- b. Factors that significantly affect the identification of trends in the amounts reported, including, for example, changes in benefit provisions, the size or composition of the

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population covered by the plan, or the actuarial methods and assumptions used. (The amounts reported for prior years should not be restated.)

The information should be calculated in accordance with the parameters and should be presented as RSI. Employers that use the aggregate actuarial cost method should prepare the information using the entry age actuarial cost method and should disclose that fact and that the purpose of this disclosure is to provide information that approximates the funding progress of the plan.

If the cost-sharing plan in which an employer participates does not issue and make publicly available a stand-alone plan financial report prepared in accordance with the requirements of Statement 43, and the plan is not included in the financial report of a PERS or another entity, the cost-sharing employer should present as RSI in its own financial report schedules of funding progress and employer contributions for the plan (and notes to these schedules), prepared in accordance with the requirements of Statement 43. The employer should disclose that the information presented relates to the cost-sharing plan as a whole, of which the employer is one participating employer, and should provide information helpful for understanding the scale of the information presented relative to the employer.

J. LEASES

NOTE: Where five-year amounts are requested, list the total amount (sum) for the five-year period, not the annual amount for each of the five years.)

1. OPERATING LEASES

The total payments for operating leases during fiscal year _____ amounted to \$_____. (Note: If lease payments extend past FY 2025, create additional columns and report these future minimum lease payments in five year increments.) A schedule of payments for operating leases follows:

Nature of lease	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016- 2020	FY 2021- 2025
Office Space	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Equipment	_____	_____	_____	_____	_____	_____	_____
Land	_____	_____	_____	_____	_____	_____	_____
Other	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

2. CAPITAL LEASES

Capital leases (are/are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and

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operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Schedule A should be used to report all capital leases including new leases in effect as of 6/30/10. In Schedule B, report only those new leases entered into during fiscal year 2009-2010.

SCHEDULE A – TOTAL AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Buildings	_____	_____	_____
c. Equipment	_____	_____	_____
d. Land	_____	_____	_____
e. Other	_____	_____	_____
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2030, create additional rows and report these future minimum lease payments in five year increments.)

<u>Year ending June 30:</u>	<u>Total</u>
2011	\$ _____
2012	_____
2013	_____
2014	_____
2015	_____
2016-2020	_____
2021-2025	_____
2026-2030	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

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SCHEDULE B – NEW AGENCY CAPITAL LEASES EXCEPT LEAF

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Buildings	_____	_____	_____
c. Equipment	_____	_____	_____
d. Land	_____	_____	_____
e. Other	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2030, create additional rows and report these future minimum lease payments in five year increments.)

<u>Year ending June 30:</u>	<u>Total</u>
2011	\$ _____
2012	_____
2013	_____
2014	_____
2015	_____
2016-2020	_____
2021-2025	_____
2026-2030	_____
Total minimum lease payments	_____
Less amounts representing executory costs	_____
Net minimum lease payments	_____
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____

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SCHEDULE C – LEAF CAPITAL LEASES

<u>Nature of lease</u>	<u>Gross Amount of Leased Asset (Historical Costs)</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
d. Other	_____	_____	_____
Total	\$ _____	\$ _____	\$ _____

The following is a schedule by years of future minimum lease payments under capital leases financed through the LEAF program, together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest: (Note: If lease payments extend past FY2030, create additional rows and report these future minimum lease payments in five year increments.)

<u>Year ending June 30:</u>	<u>Total</u>
2011	\$ _____
2012	_____
2013	_____
2014	_____
2015	_____
2016-2020	_____
2021-2025	_____
2026-2030	_____
Total minimum lease payments	_____ -
Less amounts representing executory costs	_____
Net minimum lease payments	_____ -
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ -

3. LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectability of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement and complete the chart below:

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<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>	<u>Remaining interest to end of lease</u>	<u>Remaining principal to end of lease</u>
a Office space		\$	\$	\$
b Buildings				
c Equipment				
d Land				
e. Other				
Less amounts representing executory costs				
Minimum lease payment receivable		-		
Less allowance for doubtful accounts				
Net minimum lease payments receivable		-		
Less estimated residual value of leased property				
Less unearned income				
Net investment in direct financing lease		\$	-	

Minimum lease payment receivables do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if, for example, the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2010 were \$_____ for office space, \$_____ for buildings, \$_____ for equipment, \$_____ for land, and \$_____ for other.

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year): **(Note: If lease receivables extend past FY2030, please create additional rows and report these future minimum lease payment receivables in five year increments.)**

Year ending _____:	
2011	\$ _____
2012	_____
2013	_____
2014	_____
2015	_____
2016-2020	_____
2021-2025	_____
2026-2030	_____
Total	\$ _____

4. LESSOR – OPERATING LEASE

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectability and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating

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lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20__:

	<u>Cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
a. Office space	\$ _____	\$ _____	\$ _____ -
b. Building	_____	_____	_____ -
c. Equipment	_____	_____	_____ -
d. Land	_____	_____	_____ -
e. Other	_____	_____	_____ -
Total	\$ _____ -	\$ _____ -	\$ _____ -

The following is a schedule by years of minimum future rentals receivable on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year): (Note: If lease receivables extend past FY2030, please create additional rows and report these future minimum lease payment receivables in five year increments.)

<u>Year Ended</u> <u>June 30,</u>	<u>Office Space</u>	<u>Equipment</u>	<u>Land</u>	<u>Other</u>	<u>Total</u>
2011	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ -
2012					_____ -
2013					_____ -
2014					_____ -
2015					_____ -
2016-2020					_____ -
2021-2025					_____ -
2026-2030					_____ -
Total	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -	\$ _____ -

Current year lease revenues received in fiscal year _____ totaled \$ _____.
 Contingent rentals received from operating leases received for your fiscal year was \$ _____ for office space, \$ _____ for buildings, \$ _____ for equipment, \$ _____ for land, and \$ _____ for other.

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K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 20__:

	Year ended June 30, 2010			Balance June 30, 2010	Amounts due within one year
	Balance June 30, 2009	Additions	Reductions		
Notes and bonds payable:					
Notes payable	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds payable	1,600		(400)	2,000	400
Total notes and bonds	<u>1,600</u>	<u>-</u>	<u>(400)</u>	<u>2,000</u>	<u>400</u>
Other liabilities:					
Contracts payable				-	-
Compensated absences payable	220	11		231	231
Capital lease obligations				-	-
Claims and litigation				-	-
Pollution remediation obligation				-	-
OPEB payable	248	128		376	
Other long-term liabilities				-	-
Total other liabilities	<u>468</u>	<u>139</u>	<u>-</u>	<u>607</u>	<u>231</u>
Total long-term liabilities	\$ <u>2,068</u>	\$ <u>139</u>	\$ <u>(400)</u>	\$ <u>2,607</u>	\$ <u>631</u>

(Balances at June 30th should include current and non-current portion of long-term liabilities.)

(Send OSRAP a copy of the amortization schedule for any new debt issued.) The totals must equal the Balance Sheet for each type of long-term liabilities.

L. CONTINGENT LIABILITIES

GAAP requires that the notes to the financial statements disclose any situation where there is at least a reasonable possibility that assets have been impaired or that a liability has been incurred along with the dollar amount if it can reasonably be estimated. **Do not report impaired capital assets as defined by GASB 42 below, rather disclose GASB 42 impaired capital assets in Note CC.** Losses or ending litigation that is probable should be reflected on the balance sheet.

The WEST AUTHORITY (BTA) is a defendant in litigation seeking damages as follows: (Only list litigation not being handled by the Office of Risk Management or the Attorney General.)

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Date of Action	Description of Litigation and Probable outcome (Probable, reasonably possible or remote)	Estimated Liability Amt for Claims & Litigation (Opinion of legal counsel)	Insurance Coverage
	REASONABLY POSSIBLE - TAKING OF LAND	\$ 525,000	\$
Totals		\$ 525,000	\$ -

***Note:** Liability for claims and judgments should include specific, incremental claim expenses if known or if it can be estimated. For example, the cost of outside legal assistance on a particular claim may be an incremental cost, whereas assistance from internal legal staff on a claim may not be incremental because the salary costs for internal staff normally will be incurred regardless of the claim. (See GASB 30, paragraph 9)

(Only answer the following questions for those claims and litigation not being handled by the Office of Risk Management.)

Indicate the way in which risks of loss are handled (circle one).

- (a) Purchase of commercial insurance,
- (b) Participation in a public entity risk pool (e.g., Office of Risk Management claims)
- (c) Risk retention (e.g., Use of an internal service fund is considered risk retention because the entity as a whole has retained the risk of loss.)
- (d) Other (explain) _____

For entities participating in a risk pool (other than the Office of Risk Management), describe the nature of the participation, including the rights and the responsibilities of both the entity and the pool. _____

Describe any significant reductions in insurance coverage from coverage in the prior year by major categories of risk. Also, indicate whether the amount of settlements exceeded insurance coverage for each of the past three fiscal years. _____

Disclose any cases where it is probable that a liability has been incurred, but the effect of the liability has not been reflected in the financial statements because it cannot be estimated. _____

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Disclose any guarantee of indebtedness even if there is only a remote chance that the government will be called on to honor its guarantee. _____

Disallowed Cost:

Those agencies collecting federal funds, which have been informed that certain of their previously claimed costs were disallowed, should disclose the requested information in the schedule shown below. Show each possible disallowance on a separate line in the chart.

	Program	Date of Disallowance	Amount	*Probability of Payment	Estimated Liability Amount**
1	_____	_____	\$ _____	_____	\$ _____
2	_____	_____	_____	_____	_____
3	_____	_____	_____	_____	_____
4	_____	_____	_____	_____	_____

* Reasonably possible, probable, or remote

** Indicate only if amount can be reasonably estimated by legal counsel

M. RELATED PARTY TRANSACTIONS

FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from that result from related party transactions. List all related party transactions. _____

N. ACCOUNTING CHANGES

Accounting changes made during the year involved a change in accounting _____ (principle, estimate or entity). The effect of the change is being shown in _____.

O. IN-KIND CONTRIBUTIONS

List all in-kind contributions that are not included in the accompanying financial statements.

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
_____	\$ _____
_____	_____
_____	_____
_____	_____
Total	\$ _____

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P. DEFEASED ISSUES

In _____, 20____, the _____
(BTA), issued \$_____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$_____, plus an additional \$_____ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$_____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$_____.

Q. REVENUES – PLEDGED OR SOLD (GASB 48)

1. PLEDGED REVENUES

Pledged revenues are specific revenues that have been formally committed to directly collateralize or secure debt of the pledging government, or directly or indirectly collateralize or secure debt of a component unit. **Pledged revenues are revenue bonds that the State Bond Commission or the Louisiana Public Facilities Authority has authorized in your agency's name or in your agency's behalf.** Pledged revenues must be disclosed for each period in which the secured debt remains outstanding. **You must prepare a separate Note Q for each secured debt issued.**

Provide the following information about the specific revenue pledged:

a. Identify the specific pledged revenue:

- Pledged revenue is _____

- Debt secured by the pledged revenue (amount) _____

- Approximate amount of pledge _____ (equal to the remaining principal and interest requirements)

b. Term of the commitment: _____ [number of years (beginning and ending dates by month and year) that the revenue will not be available for other purposes]

c. General purpose for the debt secured by the pledge: _____

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d. Relationship of the pledged amount to the specific revenue: _____
(the proportion of the specific revenue that has been pledged)

e. Comparison of the pledged revenues (current year information):

- Principal requirements: _____

- Interest requirements: _____

- Pledged revenues recognized during the period _____ (gross
pledged revenue minus specified operating expenses)

NOTE: For any new Revenue Bonds, you must send a copy of the following pages:

- Cover page
- Introductory statement
- **Amortization schedule – terms and conditions**
- Plan of financing – sources and used of funds
- Security for the bond (pledged revenue information)

2. FUTURE REVENUES REPORTED AS A SALE

Future revenues reported as a sale are proceeds that an agency/entity received in exchange for the rights to future cash flows from specific future revenues and for which the agency/entity's continuing involvement with those revenues or receivables is effectively terminated. (see Appendix E)

Provide the following information in the year of the sale ONLY:

a. Identify the specific revenue sold:

- the revenue sold is _____
- the approximate amount _____
- significant assumptions used in determining the approximate amount _____

b. Period of the sale: _____

c. Relationship of the sold amount to the total for that specific revenue: _____

d. Comparison of the sale:

- proceeds of the sale _____
- present value of the future revenues sold _____
- significant assumptions in determining the present value _____

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R. GOVERNMENT-MANDATED NONEXCHANGE TRANSACTIONS (GRANTS)

The following government-mandated nonexchange transactions (grants) were received during fiscal year 2009-2010:

CFDA Number	Program Name	State Match Percentage	Total Amount of Grant
97.036	FEMA PUBLIC ASSISTANCE	0%	\$ (14)
Total government-mandated nonexchange transactions (grants)			\$ (14)

S. VIOLATIONS OF FINANCE-RELATED LEGAL OR CONTRACTUAL PROVISIONS

At June 30, 20__, the _____ (BTA) was not in compliance with the provisions of _____ Bond Reserve Covenant that requires _____. The _____ (BTA) did _____ to correct this deficiency.

T. SHORT-TERM DEBT

The _____ (BTA) issues short-term notes for the following purpose(s) _____.

Short-term debt activity for the year ended June 30, 20__, was as follows:

List the type of Short-term debt (e.g., tax anticipation notes)	Beginning Balance	Issued	Redeemed	Ending Balance
	\$ _____	\$ _____	\$ _____	\$ _____ -

The _____ (BTA) uses the following revolving line of credit for to finance _____ (list purpose for the S-T debt).

Short-term debt activity for the year ended June 30, 20__, was as follows:

	Balance	Draws	Redeemed	Balance
Line of credit	\$ _____	\$ _____	\$ _____	\$ _____ -

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U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 20__, were as follows:

Fund (gen. fund, gas tax fund, etc.)	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
WJLD O & M SPEC REV FD	\$	\$	\$ 19	\$	\$ 19
					-
Gross receivables	\$ -	\$ -	\$ 19	\$ -	\$ 19
Less allowance for uncollectible accounts					
Receivables, net	\$ -	\$ -	\$ 19	\$ -	\$ 19
Amounts not scheduled for collection during the subsequent year	\$	\$	\$	\$	\$ -

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 20__, were as follows:

Fund	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
	\$	\$	\$	\$	\$ -
					-
Total payables	\$ -	\$ -	\$ -	\$ -	\$ -

W. SUBSEQUENT EVENTS

Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.

X. SEGMENT INFORMATION

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt

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instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by each segment:

Segment No. 1 _____
 Segment No. 2 _____

A. Condensed balance sheet:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTAs should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTAs should be reported separately.
- (3) Total net assets – distinguishing among restricted (separately reporting expendable and nonexpendable components); unrestricted; and amounts invested in capital assets, net of related debt.

Condensed Balance sheet:

	<u>Segment #1</u>	<u>Segment #2</u>
Current assets	\$ _____	\$ _____
Due from other funds	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Current liabilities	_____	_____
Due to other funds	_____	_____
Long-term liabilities	_____	_____
Restricted net assets	_____	_____
Unrestricted net assets	_____	_____
Invested in capital assets, net of related debt	_____	_____

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.

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- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

	<u>Segment #1</u>	<u>Segment #2</u>
Operating revenues	\$ _____	\$ _____
Operating expenses	_____	_____
Depreciation and amortization	_____	_____
Operating income (loss)	_____ -	_____ -
Nonoperating revenues (expenses)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	_____ -	_____ -
Beginning net assets	_____	_____
Ending net assets	_____ -	_____ -

Condensed statement of cash flows:

- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
- (2) Beginning cash and cash equivalent balances
- (3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

	<u>Segment #1</u>	<u>Segment #2</u>
Net cash provided (used) by operating activities	\$ _____	\$ _____
Net cash provided (used) by noncapital financing activities	_____	_____
Net cash provided (used) by capital and related financing activities	_____	_____
Net cash provided (used) by investing activities	_____	_____
Beginning cash and cash equivalent balances	_____	_____
Ending cash and cash equivalent balances	_____ -	_____ -

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Y. DUE TO/DUE FROM AND TRANSFERS

1. List by fund type the amounts **due from other funds** detailed by individual fund at fiscal year end:

(Types of funds include general fund, statutory dedicated funds, discrete component unit funds, etc).

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
MAJOR _____	SELEPAW GEN FD	\$ 83
MAJOR _____	WJLD O&M	276
MAJOR _____	WJLD EMERG FD	623
MAJOR _____	WJLD WB HURRICANE	639
Total due from other funds		<u>\$1,621</u>

2. List by fund type the amounts **due to other funds** detailed by individual fund at fiscal year end:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
MAJOR _____	WJLD O&M	\$ 1,345
MAJOR _____	ALD O&M	276
Total due to other funds		<u>\$ 1,621</u>

3. List by fund type **all transfers from other funds** for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
MAJOR _____	WJLD O&M	\$ 640
MAJOR _____	WJLD EMERG FD	810
MAJOR _____	ALD EMERG FD	1,460
Total transfers from other funds		<u>\$ 2,910</u>

4. List by fund type **all transfers to other funds** for the fiscal year:

<u>Type of Fund</u>	<u>Name of Fund</u>	<u>Amount</u>
MAJOR _____	WJLD O&M	\$ 810
MAJOR _____	ALD O&M	2,068
MAJOR _____	WJLD LAFITTE LEVEE	32
Total transfers to other funds		<u>\$ 2,910</u>

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets in the _____ (BTA) at _____
 (fiscal year end), reflected at \$ _____ in the liabilities section on Statement A,

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consist of \$ _____ in accounts payable, \$ _____ in notes payable, and
 \$ _____ in _____.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for June 30, 20__.

Ending net assets 6/30/09 as reported to OSRAP on PY AFR	*Adjustments to ending net assets 6/30/09 (after AFR was submitted to OSRAP) + or (-)	Restatements (Adjustments to beg Balance 7/1/09) + or (-)	Beg net assets @ 7/1/09 as restated
\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

*Include all audit adjustments accepted by the agency or entity.
 Each adjustment must be explained in detail on a separate sheet.

BB. NET ASSETS RESTRICTED BY ENABLING LEGISLATION (GASB 46)

Of the total net assets reported on Statement A at June 30, 20__, \$ _____ are restricted by enabling legislation. Enabling legislation authorizes a government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that the resources be used only for the specific purposes stipulated in the legislation. Refer to Appendix F for more details on the determination of the amount to be reported as required by GASB Statement 46.

List below the net assets restricted by enabling legislation, the purpose of the restriction, and the Louisiana Revised Statute (LRS) that authorized the revenue:

<u>Purpose of Restriction</u>	<u>LA Revised Statute Authorizing Revenue</u>	<u>Amount</u>
_____	_____	\$ _____
_____	_____	_____
_____	_____	_____
Total	_____	\$ _____

CC. IMPAIRMENT OF CAPITAL ASSETS & INSURANCE RECOVERIES

GASB 42 establishes accounting and financial reporting standards for the impairment of capital assets and for insurance recoveries. Governments are required to evaluate prominent

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events or changes in circumstances affecting capital assets to determine whether impairment has occurred. A capital asset generally should be considered impaired if both (a) the decline in service utility of the capital asset is large in magnitude and (b) the event or change in circumstance is outside the normal life cycle of the capital asset. See Appendix G for more information on GASB 42 and the Impairment of Capital Assets.

The following capital assets became permanently impaired in FY 09-10: (Insurance recoveries related to impairment losses should be used to offset those impairment losses if received in the same year as the impairment. Include these insurance recoveries in the third column in the table below. Calculate the net impairment loss after insurance recoveries received in the current fiscal year in the fourth column. Include in the Financial Statement Classification column the account line in which the net impairment loss is reported in the financial statements. There are five indicators of impairment described in Appendix G, (1) physical damage, (2) enactment of laws, etc. List the appropriate number (1-5) to identify the indicator of impairment in the second to last column below.)

<u>Type of asset</u>	<u>Amount of Impairment Loss</u>	<u>Insurance Recovery in the same FY</u>	<u>Net Impairment Loss per Financial Strmts</u>	<u>Financial Statement Classification</u>	<u>Appendix G Indicator of Impairment</u>	<u>Reason for Impairment (e.g. hurricane, fire)</u>
Buildings	\$ _____	\$ _____	\$ _____	_____	_____	_____
Movable Property	_____	_____	_____	_____	_____	_____
Infrastructure	_____	_____	_____	_____	_____	_____

Insurance recoveries received in FY 09-10 related to impairment losses occurring in previous years, and insurance recoveries received in FY 09-10 other than those related to impairment of capital assets, should be reported as program revenues, nonoperating revenues, or extraordinary items, as appropriate. Indicate in the following table the amount and financial statement classification (account line in which the insurance recovery is reported in the financial statements) of insurance recoveries not included in the table above:

<u>Type of asset</u>	<u>Amount of Insurance Recovery</u>	<u>Financial Statement Classification</u>	<u>Reason for insurance recovery (e.g. fire)</u>
Buildings	\$ _____	_____	_____
Movable Property	_____	_____	_____
Infrastructure	_____	_____	_____

The carrying amount of impaired capital assets that are idle at year-end should be disclosed, regardless of whether the impairment is considered permanent or temporary. The following capital assets were idle at the end of the fiscal year. (Include any

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permanently impaired capital assets listed above that are still idle at the end of the fiscal year, any temporarily impaired capital assets, and any assets impaired in prior years that are still idle at the end of the current fiscal year.)

<u>Type of asset</u>	<u>Carrying Value of Idle Impaired Assets</u>	<u>Reason for Impairment</u>
Buildings - permanently impaired	\$ _____	_____
Buildings - temporarily impaired	_____	_____
Movable Property - permanently impaired	_____	_____
Movable Property - temporarily impaired	_____	_____
Infrastructure - permanently impaired	_____	_____
Infrastructure - temporarily impaired	_____	_____

DD. EMPLOYEE TERMINATION BENEFITS

Termination benefits are benefits, other than salaries and wages that are provided by employers as settlement for involuntary terminations initiated by management, or as an incentive for voluntary terminations initiated by employees. **Involuntary termination benefits include benefits such as severance pay or continued access to health insurance through the employer's group insurance plan.** Voluntary termination benefits include benefits such as enhanced early retirement options resulting from an approved early retirement plan.

Refer to GASB No. 47, Summary, Recognition Requirements – "Involuntary" termination is recognized when there is a plan of termination approved by the government. "For financial reporting purposes, a plan of involuntary termination is defined as a plan that (a) identifies, at a minimum, the number of employees to be terminated, the job classifications or functions that will be affected and their locations, and when the terminations are expected to occur and (b) establishes the terms of the termination benefits in sufficient detail to enable employees to determine the type and amount of benefits they will receive if they are involuntarily terminated."

Other termination benefits may include:

1. Early retirement incentives, such as cash payments, enhancement to defined benefit formula
2. Healthcare coverage when none would otherwise be provided (COBRA)
3. Payments due to early release from employment contracts
4. **All others based on professional judgment.**

GASB 47 requires the following disclosures about an employer's accounting for employee termination benefits:

1. A description of the termination benefit arrangement(s)

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2. Year the state becomes obligated
3. Number of employees affected
4. Cost of termination benefits
5. Type of benefit(s) provided
6. The period of time over which the benefits are expected to be provided
7. If the termination benefit affects the defined benefit pension (OPEB) obligations, disclose the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefit
8. When termination liabilities are reported, disclose the significant methods and assumptions used to determine the liabilities to be disclosed (for as long as the liability is reported)

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact.

The GASB 47 note disclosures listed below are provided as an example and should be modified as necessary.

Substantially all employees are eligible for termination benefits upon separation from the state. The agency recognizes the cost of providing these benefits as expenditures when paid during the year. For FY _____, the cost of providing those benefits for _____ (number of) voluntary terminations totaled \$ _____. For FY _____, the cost of providing those benefits for _____ (number of) involuntary terminations totaled \$ _____.

[The termination benefits (voluntary and involuntary) paid in **FY 2010** should also be included in the Statement of Revenues, Expenses, and Changes in Fund Net Assets on the account line “Administrative” in the Operating Expense Section.]

The liability for the accrued voluntary terminations benefits payable at June 30, _____ is \$ _____. This liability consists of _____ (number of) voluntary terminations. The liability for the accrued involuntary terminations benefits payable at June 30, _____ is \$ _____. This liability consists of _____ (number of) involuntary terminations.

[The termination benefits (voluntary and involuntary) payable at fiscal year end should also be included on the Balance Sheet in the “compensated absences payable” account line.]

If a termination benefit is not recognized because the expected benefits are not estimable, the employer should disclose that fact. Briefly describe termination benefits provided to employees as discussed above. If none, please state that fact.

A terminated employee can continue to access health benefits, however, if the COBRA participant is paying the ENTIRE premium then there is no state contribution on behalf of this individual. Therefore, when a terminated employee pays 100% of the premium, the state would not have a termination liability.

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EE. POLLUTION REMEDIATION OBLIGATIONS

Pollution remediation costs (or revenue) should be reported in the statement of activities and statement of revenues, expenses, and changes in fund net assets, if appropriate, as a program or operating expense (or revenue), special item, or extraordinary item in accordance with the guidance in Statement 34.

Disclosures:

For recognized pollution remediation liabilities and recoveries of pollution remediation outlays, governments should disclose the following:

- a. The nature and source of pollution remediation obligations (for example, federal, state, or local laws or regulations)
- b. The amount of the estimated liability (if not apparent from the financial statements), the methods and assumptions used for the estimate, and the potential for changes due to, for example, price increases or reductions, technology, or applicable laws or regulations
- c. Estimated recoveries reducing the liability.

For pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable, governments should disclose a general description of the nature of the pollution remediation activities.

See OSRAP memo 09-24, <http://www.doa.la.gov/osrap/sagasb49.htm> for more information on measuring pollution remediation liabilities.

SAMPLE disclosure: (This is a sample disclosure. Adapt as necessary to fit your specific agency.)

At fiscal year end, _____ (BTA) was a responsible party or potential responsible party in the remediation of _____ (friable asbestos, polluted ground water, removal of leaking underground fuel storage tanks, removal of lead-based paint, diesel spill cleanup, removal and replacement of contaminated soil, oversight and enforcement-related activities, post-remediation monitoring, etc.) on _____ agency's/entity's property. A possible explanation for this is _____. Further investigation to determine the full nature and extent of this contamination and required remediation has lead to a potential liability of \$ _____. The _____ (agency) paid \$ _____ in remediation costs for fiscal year 2010 and is reporting a balance of \$ _____ for the liability. At this time the complete cost for remediation is unable to be estimated as a result of future remediation contracts, inflation, and the amount of time involved. As these costs become estimable and costs incurred, the liability will be adjusted.

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2010

The following worksheet is provided to assist in completing required note disclosure and in determining the agency's pollution remediation activities, current year expenses, adjustments to pollution remediation obligations, and the amount of the year end liability.

(B7A)

As of and for the year ended June 30, 2017

(BTA)

GASB 49 Inventory Log

Fiscal Year ending June 30, 2010

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STATE OF LOUISIANA

(BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 20_____

FF. AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)

Provide your entity's ARRA revenue received in FY 2010 on a full accrual basis:

Provide your entity's ARRA expenses in FY 2010 on a full accrual basis:

Name		Amount
PAUL DAUPHIN	\$	1,428
PAT KETCHAM		4,462
SUSAN MACLAY		12,000
MICHAEL MERRITT		5,276
MARK MORGAN		6,166
GERARD VIERA		7,654
JOANNES WESTERINK		1,910
WESLEY WILKINSON		4,986
Total	\$	43,882

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STATE OF LOUISIANA

(BTA)

SCHEDULE OF NOTES PAYABLE

 , 20

(Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
_____	_____	\$ _____	\$ _____	\$ _____	\$ _____	_____	\$ _____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
Total		\$ <u> </u>	\$ <u> </u>	\$ <u> </u>	\$ <u> </u>		\$ <u> </u>

*Send copies of new amortization schedules

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY - WEST (BTA)
SCHEDULE OF BONDS PAYABLE
JUNE 30, 2010
(Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
Series:							
2008 CERT OF INDEBTEDNESS	4/30/08	\$ 2,000	\$ 1,600	\$(400)	\$ 1,200	4.10%	\$98
Unamortized Discounts and Premiums Series:							
Total		\$2,000	<u>\$1,600</u>	<u>\$(400)</u>	<u>\$1,200</u>		<u>\$ 98</u>

***Note: Principal outstanding (bond series/minus unamortized costs) at 6/30/10 should agree to bonds payable on the Statement of Net Assets.**
Send copies of new amortization schedules for bonds and unamortized costs.

SCHEDULE 3-B

STATE OF LOUISIANA
(BTA)
SCHEDULE OF CAPITAL LEASE AMORTIZATION
For The Year Ended June 30, 20__

Ending:	Payment	Interest	Principal	Balance
2011	\$ _____	\$ _____	\$ _____	\$ ____ --
2012	_____	_____	_____	____ --
2013	_____	_____	_____	____ --
2014	_____	_____	_____	____ --
2015	_____	_____	_____	____ --
2016-2020	_____	_____	_____	____ --
2021-2025	_____	_____	_____	____ --
2026-2030	_____	_____	_____	____ --
2031-2035	_____	_____	_____	____ --
Total	\$ ____ --	\$ ____ --	\$ ____ --	\$ ____ --

STATE OF LOUISIANA
_____ (BTA)
SCHEDULE OF NOTES PAYABLE AMORTIZATION
For the Year Ended June 30, 20__

Fiscal Year Ending:	<u>Principal</u>	<u>Interest</u>
2011	\$ _____	\$ _____
2012	_____	_____
2013	_____	_____
2014	_____	_____
2015	_____	_____
2016-2020	_____	_____
2021-2025	_____	_____
2026-2030	_____	_____
2031-2035	_____	_____
Total	\$ _____ --	\$ _____ --

SCHEDULE 4-B

STATE OF LOUISIANA
SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)
SCHEDULE OF BONDS PAYABLE AMORTIZATION
For The Year Ended June 30, 2010

<u>Fiscal Year Ending:</u>	<u>Principal</u>	<u>Interest</u>
2011	\$ 400	\$ 49
2012	400	33
2013	400	16
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
Total	\$ 1,200	\$ 98

***Note: Principal outstanding (bond series plus/minus unamortized costs) at 6/30/10 should agree to bonds payable on the Statement of Net Assets.**

SCHEDULE 4-C

STATE OF LOUISIANA

(BTA)

**SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION
NON-GAAP BASIS**

JUNE 30, 2010

	Financial Statement	Adjustments	ISIS Appropriation Report-08/16/10	Revised Budget	Variance Positive/(Negative)
Revenues:					
Intergovernmental Revenues	\$	\$	\$	\$	\$
Federal Funds			-		-
Sales of Commodities and Services			-		-
Other			-		-
Total appropriated revenues	-	-	-	-	-
Expenses:					
Cost of goods sold	\$	\$	\$	\$	\$
Personal services			-		-
Travel			-		-
Operating Services			-		-
Supplies			-		-
Professional services			-		-
Other charges			-		-
Capital outlay			-		-
Interagency transfers			-		-
Debt service			-		-
Other:					
Bad debts			-		-
Depreciation			-		-
Compensated absences			-		-
Interest expense			-		-
Other (identify)			-		-
Total appropriated expenses	-	-	-	-	-
Excess (deficiency) of revenues over expenses (budget basis)	\$	\$	\$	\$	\$

Note: Schedule 5 is only applicable for those entities whose budget is appropriated by the legislature.

STATE OF LOUISIANA

(BTA)

**SCHEDULE OF CURRENT YEAR REVENUE AND EXPENSES
BUDGETARY COMPARISON OF CURRENT APPROPRIATION
NON-GAAP BASIS
June 30, 2010**

Excess (deficiency) of revenues over expenses (budget basis)	\$ _____
Reconciling items:	
Cash carryover	_____
Use of money and property (interest income)	_____
Depreciation	_____
Compensated absences adjustment	_____
Capital outlay	_____
Disposal of fixed assets	_____
Change in inventory	_____
Interest expense	_____
Bad debts expense	_____
Prepaid expenses	_____
Principal payment	_____
Loan Principal Repayments included in Revenue	_____
Loan Disbursements included in Expenses	_____
Accounts receivable adjustment	_____
Accounts payable/estimated liabilities adjustment	_____
OPEB payable	_____
Other	_____
Change in Net Assets	\$ _____ -

Note: Schedule 5 is only applicable for entities whose budget is appropriated by the legislature.

STATE OF LOUISIANA

SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – WEST (BTA)

COMPARISON FIGURES

To assist OSRAP in determining the reason for the change in financial position for the State, please complete the schedule below. If the change is greater than \$3 million, explain the reason for the change.

	<u>2010</u>	<u>2009</u>	<u>Difference</u>	<u>Percentage Change</u>
1) Revenues	\$ 38	\$ 124	\$ (86)	\$ (69.4)%
Expenses	6,380	6,432	(52)	(0.8)%
2) Capital assets	52,320	51,264	1,056	2.1%
Long-term debt	1,807	2,069	(262)	12.7%
Net Assets	63,604	61,467	2,137	3.5%
Explanation for change:	<hr/> <hr/> <hr/> <hr/>			

AGENCY NUMBER _____
AGENCY _____[illegible]

COMPLIANCE SECTION

Paul C. Rivera, CPA

(504) 371-4390

**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
Southeast Louisiana Flood Protection Authority - West
Marrero, Louisiana

I have audited the financial statements of the governmental activities, each major fund, the aggregate remaining fund information of the Southeast Louisiana Flood Control Authority – West (the “West Authority”), which is a component unit of the State of Louisiana, as of and for the year ended June 30, 2010, which collectively comprise the West Authority’s basic financial statements and have issued my report thereon dated August 21, 2010. I conducted my audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the West Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the West Authority’s internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the West Authority’s internal control over financial reporting.

My consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, I identified certain deficiencies in internal control over financial reporting that I consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the West Authority’s financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that I consider to be material weaknesses, as defined above. However, I did identify certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Responses that I consider to be significant deficiencies in internal control over financial reporting (see SD10-01 and SD10-02). A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the West Authority's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

I noted certain matters that I reported to the management of the West Authority in a separate letter dated August 21, 2010.

The West Authority's responses to the findings identified in my audit are described in the accompanying Schedule of Findings and Responses. I did not audit the West Authority's responses and, accordingly, I express no opinion on them.

This report is intended solely for the information of the Board of Commissioners of the West Authority, management, the Legislative Auditor of the State of Louisiana, and all applicable federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Marrero, Louisiana
August 21, 2010

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY - WEST
State of Louisiana**

**SCHEDULE OF FINDINGS AND RESPONSES
For the Fiscal Year Ended June 30, 2010**

A. Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the financial statements of the Southeast Louisiana Flood Protection Authority - West (the "West Authority") for the year ended June 30, 2010. It is noted that the West Authority is a component unit of the State of Louisiana.
2. Significant deficiencies relating to the audit of the financial statements are reported in the "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with *Government Auditing Standards*". The deficiencies are detailed in this schedule.
3. No instances of noncompliance material to the financial statements of the West Authority are reported in the "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit Performed in Accordance with *Government Auditing Standards*".
4. The West Authority was not subject to a Single Audit under OMB Circular A-133.
5. A separate management letter was issued for the year ended June 30, 2010.

B. Findings Related to the Financial Audit

SIGNIFICANT DEFICIENCIES

SD10-01 - Preparation of Financial Statements by Auditor

Condition and Criteria

The West Authority does not have controls in place for proper oversight of its financial reporting and for the preparation of financial statements in accordance with generally accepted accounting principle. As is common in small organizations, the West Authority has chosen to engage the auditor to prepare its annual financial statements. This condition is intentional by management, along with the cost effectiveness of acquiring the ability to prepare the financial statements in accordance with generally accepted accounting principles.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY - WEST
State of Louisiana**

**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For the Fiscal Year Ended June 30, 2010**

Cause

Recently issued Statement of Auditing Standards (SAS) 115 requires that I report the above condition as a control deficiency. The SAS does not provide exceptions to reporting deficiencies that are mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Recommendation

As mentioned, whether or not it would be cost effective to cure a control deficiency is not a factor in applying SAS 115's reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies noted under SAS 115. In this case, I do not believe that curing the significant deficiency described in this finding would be cost effective or practical and accordingly, I do not believe any corrective action is necessary.

Management's Response

The West Authority's staff is familiar with the day-to-day accounting requirements, however, due to limited staffing and funding, we do not consider it practical to provide sufficient training to our staff in order to eliminate this condition and can only continue to rely on the auditor to prepare the financial statements at this time.

SD10-02 – Maintaining Proper Fixed Asset Records

Condition and Criteria

The West Authority maintains the general fixed assets within its Great Plains software system. This system tracks the assets IDs, descriptions, costs, depreciation, etc. The West Authority's infrastructure assets (i.e., levees and levee improvements) are not accounted for in Great Plains, but instead are accounted for using an excel spreadsheet. While this is common in small organizations, the West Authority should take advantage of the Great Plains software system and maintain all assets on one system. This would allow for a more consistent and timely recording of assets and depreciation expense.

Cause

The infrastructure assets have been maintained on excel since GASB 34 went into effect.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY - WEST
State of Louisiana**

**SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
For the Fiscal Year Ended June 30, 2010**

Recommendation

The West Authority should work towards entering the records relating to the infrastructure assets into the Great Plains software system. Each "reach" of a particular levee should be given its own record for tracking costs and depreciation.

Management's Response

We will look into doing this for the next fiscal year audit.

C. Findings and Questioned Costs - Major Federal Award Programs Audit

Not Applicable

D. Status of Prior Year Findings and Questioned Costs

There were no findings from the prior year.

END OF REPORT

MEMORANDUM OF ADVISORY COMMENTS

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

For the Fiscal Year Ended June 30, 2010

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**INTERNAL CONTROL
AND RELATED MATTERS**

Paul C. Rivera, CPA

(504) 371-4390

The Board of Commissioners
Southeast Louisiana Flood Protection Authority - West
Marrero, Louisiana

I have audited the financial statements of the Southeast Louisiana Flood Protection Authority - West (the "West Authority"), a component unit of the State of Louisiana, as of and for the fiscal year ended June 30, 2010, and have issued my reports thereon dated August 21, 2010. As part of my audit, I considered the West Authority's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing an opinion on the financial statements, and not to provide an opinion on the effectiveness of the West Authority's internal control.

Control Deficiencies, which may have been noted during my consideration of the internal control over financial reporting, have been reported on in a separately issued report, entitled "Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*".

This memorandum summarizes various immaterial control deficiencies, instances of noncompliance, and other matters that have come to my attention. While not involving significant control deficiencies or material weaknesses, these matters do present opportunities for strengthening the West Authority's internal controls and improving the operating efficiency of the West Authority.

I have already discussed these comments and suggestions with the West Authority's administrative personnel and have included their responses. I will be pleased to discuss these comments and suggestions with you in further detail at your convenience, perform an additional study of these matters, or assist you in implementing the recommendations.



Paul C. Rivera, CPA
Marrero, Louisiana
August 21, 2010

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

**INTERNAL CONTROL AND RELATED MATTERS
JUNE 30, 2010**

PROTECTING THE ASSETS OF THE WEST AUTHORITY

IC10-1 COMMENT

The statute that created the Algiers Levee District called for an amount to be withheld from its pro-rata share of property taxes to help pay the existing long-term bonded debt of the Orleans Levee District. From 2007 to 2010, amounts were withheld and placed into escrow accounts that are being held by the Orleans Levee District. At June 30, 2010, the two escrow accounts had balances of \$780,570 and \$1,370,772.

It is my understanding that the Orleans Levee District has not yet used this money for payment of debt service. Also, there is no written agreement on the custody and disposition of these escrowed funds.

RECOMMENDATION

If these funds are not going to be used for debt service payments, as called for by the statute, the funds should revert back to the Algiers Levee District for operations and maintenance. The status and availability of these funds to the Algiers Levee District should be investigated. In addition, a formal escrow agreement should be executed between the two authorities to outline the conditions and terms of the use of these funds.

RESPONSE

We have hired legal counsel to investigate this matter and to draft a formal escrow agreement on these funds.

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

**INTERNAL CONTROL AND RELATED MATTERS
JUNE 30, 2010**

IC10-2 COMMENT

Act 475 of the 2007 Legislative session also carved out a portion of the West Jefferson Levee District (WJLD) into a new Lafitte Area Independent Levee District. Under the creating statute, WJLD was to turn over all assets and funds in the newly created area to the Lafitte Levee District. Several capital assets were transferred to the new district, however, due to the timing of the reorganization and delays in setting up the new district, WJLD O&M Special Revenue Fund continued to receive the ad valorem taxes for the entire area for the current tax roll year. The Assessor's Office was asked to make a final determination on the allocation of taxes between WJLD and Lafitte based on a review of the tax rolls. In the meantime, WJLD advanced \$150,000 to Lafitte as a down-payment on 2008 taxes owed and \$200,000 for each of the tax years 2009 and 2010.

In April 2008, the Assessor's Office indicated that WJLD owed Lafitte \$227,205 for taxes in 2008, thus, it appears that WJLD owes an additional \$77,205 for that year and another \$27,205 for 2009 and 2010. WJLD is disputing these figures as it appears to include property outside of the statutory boundaries of the newly created Lafitte Levee District. The West Authority has asked the Assessor's Office to take a second look at their calculations, however, nothing has been done by the Assessor as of this date. Due to the uncertainty of the amount, nothing has been accrued in the financial statements.

RECOMMENDATION

The West Authority should contact the Jefferson Parish Assessor's Office again to ask for a final allocation of the 2007, 2008, and 2009 property tax rolls. The West Authority should also ask the Jefferson Parish Assessor's Office to ensure that this "splitting" of the tax rolls takes place in time for the 2010 tax roll so that 2011 collections are recorded and split properly between the two districts.

RESPONSE

We have tried to have the Assessor's Office address this but have not had any success in making this happen. We will try again this year.

**STATUS OF PRIOR YEAR
COMMENTS AND FINDINGS**

**SOUTHEAST LOUISIANA
FLOOD PROTECTION AUTHORITY – WEST
State of Louisiana**

**STATUS OF PRIOR YEAR COMMENTS AND FINDINGS
June 30, 2010**

Prior Year Comment No.	Prior Year Comment	Status
IC09-1	Orleans Levee District holding back funds from Algiers for debt service and not making payments.	Not Resolved – See CY Comment IC10-1
IC09-2	JP Assessor not splitting Lafitte Levee District property taxes from West Jefferson Levee District taxes.	Not Resolved – See CY Comment IC10-2